

Management and Working Practices of Fair Price Shops in Aurangabad District.

INTRODUCTION

Distribution is the most important function of marketing management, as it provides a vital link between the producers and consumers of various goods and services. The distribution system encompasses all movements' right from transportation of raw material to the delivery of finished product to consumers. The distributions system of various goods and services, particularly those essential to human beings, managed by the government or any public agency is termed as "Public Distribution System." Public distribution system had been in operation in the past and at present also is being operated as a system of controlled and equitable distribution of essential commodities in short supply, either due to shortage of production or due to artificial shortage created by the traders on account of hoarding and black marketing or other natural calamities. In case of centrally planned economics it is "a system of sale of selected commodities through agencies such as Fair Price shops or Co-operatives¹.

Main Objectives of PDS

The following are the main objectives of PDS:-

- (i) To ensure equitable distribution of essential commodities specially to weaker sections of society at fair prices.
- (ii) To serve as a "complementary supply source" to the availability of various goods in the open market or to ensure adequate supplies of essential commodities.
- (iii) To maintain price stability in the economy.
- (iv) To safeguard the interest of consumers against the non-availability of goods and their rising prices. Thus, the main objective of PDS is to provide the "distribute social justice" to the common man².

Objectives of the Study:

Following are the broad objectives of the present Study:-

- 1) To study the Public Distribution System and its working at district level.
- 2) To highlight on various aspects of organization and working of fair price shops in Aurangabad District.
- 3) To access critically the public distribution system in Rural and urban areas.
- 4) To identify the problems in public distribution system and to suggest the Suitable remedial measures to overcome them.

Research Methodology:

Aurangabad district is one of the fastest developing industrial District in Asia. It has a unique blend of Balanced Urban and Rural areas hence it is selected for the study purpose.

There are 1785 fair price shops in Aurangabad District, with 195 shops in urban area and 1592 shops in rural area.

There is a limit to study and deal with each and every fair price shop. Hence, by random sampling method 18 shop from urban areas and 46 shops from rural areas has been selected for the study purpose.

Collection of data

The related data is collected from the direct beneficiaries from the rural and urban area by the help of questionnaire. The secondary data is collected from the district statistical reports, fair price shop bulletins and district collector office.

It is observed that 60 percent of the consumers investigated were satisfied with the overall operations and functioning of fair price shops, while the remaining 40 percent consumers were not satisfied with operations and functioning of the fair price shops. Those dissatisfied complained about irregular and inadequate supply of rationed items, irregular and inconvenient timings, delay in service, adulteration of commodities, under weighment and measurement of commodities, location and distances of fair price shops from the residence of the consumers, black marketing of goods, false entries of

units in ration cards etc. these difficulties were more prominent in case of large fair price shops comparatively to small ones (Table-I).

The services rendered by the fair price shop dealer in urban areas were satisfactory, 75% of consumers confined in the services provided by the fair price dealer, whereas 25% consumers expressed dissatisfaction about the services offered by urban fair price shop dealers in comparison nearly 97% of rural respondent were fully satisfied about the services rendered (Table No II).

The behaviour of fair price shop owners in urban area was found to be largely indifferent in 20% said it was courteous but a staggering 60% said it was indifferent, the behaviour changed from time to time infact they were of the opinion that they seems to discourage the customer about the quality and the availability so that less quantity of goods is consumed and eventually they could black market the remaining commodity left behind, as regards rural respondent 90% expressed satisfaction regarding the behavior of fair price shop owners with 7% expressing that it is indifferent attitude (Table III).

Wheat is consumed to the turn of 95% in urban areas where as only 28% took benefit of wheat available at FPS in rural areas. The reason was their occupation being agriculture they were able to obtain wheat directly from the field. In rural areas people do not have the habit of eating rice whereas in urban areas despite the fact that the quality is not preferred by the people, 100% of the beneficiaries in BPL category in urban areas purchased kerosene

of their own quota where as in rural areas only 27% took kerosene, reasons is as simple that rural peoples mostly use wood and upali instead of kerosene. Sugar in urban area is consumed only 20% where as in rural area 50% is purchased. In rural area sugar is less used whereas in urban areas sugar is often purchased from open market due to quality of sugar and very little difference in rate (Table IV).

The beneficiaries are selected from the BPL category. In this scheme 35 kg wheat and rice is distributed at the rate of Rs. 2 and 3 per kg. this is a motivation due to which wheat is consumed to the turn of 100% in both rural & urban areas, where as rice and kerosene in urban area is consumed 100% in rural areas. it is 23 & 38% respectively because rice is usually not preferred by the labour community where as kerosene is less utilized in rural area due to other alternatives. Sugar is consumed both in rural & urban area around 50%. Aantayoday scheme covers maximum labour class where as there are complaints of illegal distribution on ghost cards is in fact a big problem which has been known⁷ (Table V).

Major Conclusions:-

- (1) Ghost cards are general phenomena as per NCAER report UP has highest i.e one crore eleven lakhs as compared to 10.14 lakhs in Maharashtra there are large number of ghost cards also called as bogus ration cards are present in Aurangabad district.

- (2) 76 % of urban respondents has a general complain that quality of wheat supplied is of ordinary, so quality must be improved and then supplied to the public.
- (3) Quality of sugar supplied under PDS was not satisfactory, 80 & 46 % of the respondents from rural and Urban area reported respectively
- (4) The time taken for issue of new ration cards in urban areas was 8 to 15 days with 75 % responding while rural respondents get new ration cards between 4 to 7 days delay in issue of ration cards in urban is due to inability to comply with documentary evidences and heavy rush.
- (5) As regards working hours of fair price shops 84 % urban respondents said it is convenient where as 60 % said it is to be inconvenient, the only reason for convenience in urban areas is the extended timing by the shopkeepers in their own where as there are several irregularities of timings in rural areas.
- (6) 94 & 98 % of respondents in urban and rural area are satisfied with weighing procedure in FPS while there was a general complaint regarding weighing of kerosene in both urban & rural areas.
- (7) An urban areas consumer has to compulsorily visit 4 to 6 times; where as in rural areas 99 % of respondents said they received commodities in 1 to 3 visits. The number of visit increased in urban areas that too formerly because of kerosene which is supplied by more than one company to government.

- (8) More than 70 % of the consumers in urban area and nearly 84 % of consumers in rural areas were satisfied with services provided by FPS dealers.
- (9) Beneficiaries under BPL category in urban areas had an interesting approach with 95 % consuming wheat, 70 % consuming rice, 100 % respondent's purchased kerosene.
- (10) Aantoday Anna Yojana Scheme was fairly successful in urban as well as in rural areas, with wheat, rice, kerosene which is used by 100 % in urban respondents where as 50.5% of suger they preferred to purchase from fair price shops. wheat was consumed up to 100 % in rural area with kerosene & sugar being consumed up to 50 % and rice is purchased by 23 %.

Important Suggestions.

- (1) The district supply administration should minimize time limit for issuing a ration card. The scheme of ration card with a photo card holder should be affixed to avoid any possibility of issuance of bogus ration cards.
- (2) The physical verification of the entries in the ration card should be done by the enforcement staff after issuance of the card. It was found that no physical verification is done at the time of issue of card.
- (3) In view of the limited coverage of goods under PDS, this coverage should be sufficiently extended to cover the entire spectrum of essential commodities although Palmolive oil supply have started towards the

end of 2008, it should be continued with improved quality of Palmolive oil.

4) Regularity in timings even extended time should be legally implemented.

The 8 to 12 timings are fewer burdens as compared to afternoon timings which needs revision from 4 to 8 and 5 to 9 pm, so that maximum card holders must avail this facility.

5) Weighing of kerosene needs redressed mostly in urban areas where the consumption is to the tune of 100 % as compared to rural areas where alternate fuel is used measures to curb kerosene weighing be implemented at earliest.

6) Young educated unemployed as well as persons from the weaker sections of the society must get priority while selecting the dealers for the PDS outlets.

7) The mobile van should be deployed for distributing essential commodities especially in far-flung rural areas, and also in urban Slums. It will not only ensure the benefit of PDS to poor common people at their doorstep but it will also create awareness amongst the people about the PDS.

8) Modern storage techniques should be used to avoid the storage and natural deterioration in the quantity and quality of goods stored. The accessibility to dealers and Govt stock should be equal. Government should open more Fair price shops both in urban and rural areas keeping new equations of populations and expansion in mind.

Table No-I
Performance of fair price shops and services provided to the consumers

Sr.No	Name of Area	Total No of Respondents	Satisfied with Services	Not satisfied with Services
1	Urban	1000	60 %	40 %
2	Rural	2000	70 %	30 %

Source: - Field survey (2007-2008)

Table No-II
Services rendered by the fair price shop Dealers in Aurangabad District

Sr. No	Response of the Customers	Urban Respondents		Rural Respondents	
		Actual No of Respondents (1000)	% age	Actual No of Respondents (2000)	% age
1	Very Good	20	02%	260	13%
2	Good	280	28%	1200	60%
3	Not Bad	450	45%	480	24%
4	Bad	190	19%	60	03%
5	Very Bad	60	06%	00	00
	Total	1000	100%	2000	100%

Source: - Field Survey (2007-2008)

Table No-III
Behaviour of fair price shop keepers

Sr. No	Response Of the Customers	Urban Respondents		Rural Respondents	
		Actual No of Respondents (1000)	% age	Actual No of Respondents (2000)	% age
1	Very Courteous	20	02%	1600	80%
2	Courteous	180	18%	200	10%
3	Indifferent	600	60%	140	07%
4	Rude	160	16%	60	03%
5	Very Rude	40	04%	-	-
	Total	1000	100%	2000	100%

Source: - Field Survey (2007-2008)

Table No-IV
Beneficiaries under BPL category in Aurangabad District

Sr. No	Name of commodity	Urban Respondents			Rural Respondents		
		Sample (1000) each	Actual No of respondents (1000)	% age	Sample (2000) each	Actual No	% age
1	Wheat	1000	950	95%	2000	560	28%
2	Rice	1000	700	70%	2000	100	05%
3	Kerosene	1000	1000	100%	2000	540	27%
4	Sugar	1000	200	20%	2000	1000	50%
	Total	1000	1000	100%	2000	2000	100%

		each			each		
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Source: - Field Survey (2007-2008)

Table No-V
Aantoday Anna Yojana scheme Beneficiaries in
Aurangabad District.

Sr. NO	Name of Commodities	Urban Respondents			Rural Respondents		
		Selected Samples (1000) each	Actual No of Respondents (1000) each	% age	Selected Samples (2000) each	Actual No of Respondents (2000) each	% age
1	Wheat	1000	1000	100%	2000	2000	100%
2	Rice	1000	1000	100%	2000	460	23%
3	Kerosene	1000	1000	100%	2000	1040	52%
4	Sugar	1000	500	50%	2000	760	38%
	Total	1000 each	1000 each	100%	2000 each	2000 each	100%

Source: - Field Survey (2007-2008)

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