# Household's Awareness About the Functioning of Fair Price Shops in Sirmour District of Himachal Pradesh

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#### **Abstract**

Public distribution system (PDS) in India is one of the largest food security programs in the world covered under National food security act (NFSA). The present study attempts to examine awareness of sample households on fair price shops (FPSs) in Sirmour district of Himachal Pradesh using data collected from a sample of 200 beneficiaries selected through multistage random sampling technique. The Chi-square test was used to examine the relationship between awareness level regarding benefits of FPSs services and responses of sample households. The study reveals that majority of the households were aware of the opening hours, working days, types of commodities available, entitled quantities and prices of the commodities and information displayed outside the FPS. While very few households were aware of the contact number of dealers and stock details. The study concluded that all households were not fully aware of all aspects of the services provided by the FPSs. The study suggested that necessary steps should be taken by the concerned to disseminate the information among those households who are not familiar about the functioning of FPSs.

Keywords: Public distribution system, awareness, fair price shops, food security, chi-square, households

#### 1. INTRODUCTION

The economies of both developing and developed countries are suffering from the problem of food insecurity though the developing economies are more affected by this problem (Prasad et al., 2014). India is a rapidly emerging developing country but food insecurity is much higher here than in all Sub-Saharan Africa. About 1.2 billion people in the world are suffering from hunger and malnutrition. Public Distribution System (PDS) has been working on this problem for more than five decades (Mead and Rosen, 2013). Public distribution system (PDS) is one of the most important food security programs in India. Under this scheme, food grains are distributed through fair price shops to the needy people at subsidized rates. It is managed by the Food Corporation of India. Both the state and central governments together operate the program of the PDS. At present, commodities like rice, wheat, sugar, salt and edible oil etc. are distributed by the PDS to the people through FPSs. In order to make the scheme more successful, amendments have been made time to time. The PDS first came into existence in 1960. Its main objectives were to ensure the access of food grains to the people and to reduce the prices of necessary food products (Anonymous, 2023). The first amendment was made in 1992 to streamline and strengthen the PDS as well to increase its reach in the hilly, remote and inaccessible areas. In this amendment, the name of PDS was changed to Revamped Public Distribution System (RPDS). The second amendment was made in 1997 in which RPDS was replaced with Targeted Public Distributed System (TPDS). Under this scheme. beneficiaries were divided into two categories such as Below Poverty Line (BPL) & Above Poverty Line (APL). Its main focus was to improve the functioning and transparency of the system. In

TPDS, food grains were distributed to BPL families at 50% economics cost, while APL families were distributed at 100% economic costs (Anonymous, 2022). The third amendment was done in 2000 and the programme was named as Antyodaya Anna Yojana (AAY). This scheme was started for the poorest of the poor among BPL families. Under this scheme, for AAY rice & wheat were distributed to the beneficiaries at Rs. 3/ Kg &Rs. 2/Kg respectively. These prices are lower than subsidized prices of BPL food grains (Anonymous 2023). Latest amendment was made in 2013 by enacting National Food Security Act (NFSA). Under this act, 50% of the urban population and 75% of the rural population are entitled to receive subsidized food grains. Under NFSA, a ration card is issued in the name of a woman of 18 or more than 18 years of age in the family. This is an important step of the govt. to empower women and raise their social status in the society and also to make them aware of their rights so that they can enjoy maximum benefits of the scheme. NFSA provides food grains to almost two-third of India's population. It is the largest food security program in the world (Anonymous, 2019). The awareness of the people plays a very important role in the success of any public programme. Any scheme is fruitful, only when the entitled beneficiaries get the actual benefits of that scheme. Awareness, knowledge and participation of the people are important for the implementation of any welfare scheme (Anonymous, 2022). The basic aim of the government is to provide welfare to the people. Public welfare will be grater only when the government makes people aware of the scheme (Babu, 2014). The functioning of the PDS is assessed from the beneficiaries perspective (Sawant and Jadhay, 2013). The present study has conducted to examine awareness of PDS beneficiaries about different aspects of its functioning such as opening hours, working days, types of commodities available and entitled quantities & prices of commodities, contact number of dealers and stock details of commodities information displayed outside the FPSs in Sirmour district of Himachal Pradesh.

## **Objective of the Study**

The main objective of the study is to analyse the level of awareness of households on the functioning of fair price shops services.

#### 2. LITERATURE REVIEW

The status of food security in the country can be ascertained by the efficiency and functioning of the PDS (George and Mckay, 2019). PDS fulfills the food needs of the poor which helps improving their lifestyle (Mahendran and Indrakant, 2014). Satisfaction of the beneficiaries depends on their level of income (Ramaswamy and Lavanya, 2015). Most of the PDS beneficiaries were satisfied with the functioning of FPS and performance of PDS (Ramya and Ramjuk, 2018). Some of the beneficiaries were dissatisfied with the system. The reason for their dissatisfaction was the corruption found in the PDS system (Narwade and Chandanshiv, 2014). Fair price shops dealers exploit the less aware, illiterate and less literate people more regarding the PDS services (Khera, 2011; Anonymous, 2012). The functioning of PDS in Nagaland has been very disappointed due to which only 41 per cent deserving BPL beneficiaries were able to avail the benefits of the scheme (Ashok and Naveena, 2014). In Madhya Pradesh, poor beneficiaries could not properly avail the services provided by PDS due to the ignorance and lack of awareness (Ananda, 2008). Whereas, beneficiaries of Tamil Nadu were more aware of their rights. They had complete information about the details of PDS items and its prices due to greater dissemination of information (Alamu, 2011). For the effectiveness of any welfare social scheme the beneficiaries need to be aware of the scheme (Sachdevet al., 2022). To create awareness about the scheme among consumers and to resolve disputes in time, the Delhi government has constituted the State Food Commission (Anonymous, 2021).

#### 3. METHODOLOGY OF THE STUDY:

The study was based on primary data for the year, 2020-21. Multi-stage random sampling technique was adopted to select the sample households. At the first stage, four blocks out of total six blocks was selected randomly. Thereafter, a list of fair price shops in all the selected four blocks was prepared. Later selection of five fair price shops done randomly from each selected block. Finally,



five BPL and 5 AAY households were selected randomly from the list of the householdsof each fair price shop. Thus the total sample comprised of 200 households, 100 APL and 100 BPL households. The primary data for the study was collected through personal interview method through pretested schedule for the year 2020-21. The data were analysed through percentages and averages and results presented through tabular method. The Chi-square test was used to examine the relationship between responses of sample households and functioning of fair price shops.

#### 4. Results and Discussion

The information about traits of the respondents pertaining to age and education are presented in Table 1. The table shows that at all level, majority of sample respondents (59.50%) belong to the age group of 18-50 years. This indicates that more than 50 per cent of the sample respondents were in the working age group and just 6 per cent of the respondents were in the age of  $\geq$  70 years. It implies that the small number of sample respondents was in the non-working age group. The category-wise analysis reveals that maximum 64 per cent of AAY sample households and55 per cent of BPL sample households were in the age group of 18-50 year.

**Table 1:** Demographic characteristics of sample respondents

(Number)

	(I tullibel)					
Particulars	BPL	AAY	Total			
I) Age Interval (Years)						
18-50	55	64	119			
	(55.00)	(64.00)	(59.50)			
50-70	39	30	69			
	(39.00)	(30.00)	(34.50)			
70 & above	06	06	12			
	(6.00)	(6.00)	(6.00)			
Total	100	100	200			
	(100.00)	(100.00)	(100.00)			
II) Educational level						
Illiterate	35	38	73			
	(35.00)	(38.00)	(36.50)			
Primary	25	25	50			
	(25.00)	(25.00)	(25.00)			
Middle	14	16	30			
	(14.00)	(16.00)	(15.00)			
Matriculation	12	11	23			
	(12.00)	(11.00)	(11.50)			
Senior secondary	14	10	24			
	(14.00)	(10.00)	(12.00)			
Total	100	100	200			
	(100.00)	(100.00)	(100.00)			
Literacy rate (%)	65.00	62.00	63.50			

Source: Field survey, 2021.

Note: Figures in parentheses are percentage of respective total. BPL- Below Poverty Line, AAY- Antyodaya Anna Yojana

The education level of the respondents determines to a large extent the awareness and use of PDS facilities and also of any other government scheme. Table shows that among the beneficiaries, more than one-third of the heads of the households were illiterate. Among literate respondents, one-fourth (25%) had primary education followed by education at the middle (15%), senior secondary (12%) and matriculation (11.50%) levels. In case of AAY beneficiaries, 38 per cent were illiterate followed by those who had primary (25%), middle (16%), matriculation (11%) and senior secondary level education (10%). Majority of the households (35%) were illiterate in the BPL category followed by those who had education up to primary (25%), middle (14%), senior secondary (14%) and matriculation (12%) levels. The data presented in the table indicates that more than two-thirds of the respondents were illiterate and were not aware of the benefits available from PDS. Taking all households together, 63.50 per cent were literate. In case of BPL households, literacy rate was 65

per cent while among AAY families the literacy rate was 62 per cent. It indicates that among BPL respondents literacy rate was quite high as compared to AAY respondents.

**Table 2:** Adequacy of ration distributed through fair price shops (Number)

(Tulliber)						
Particular	BPL	AAY	Total			
Adequate	01	02	03			
•	(1.00)	(2.00)	(1.50)			
Inadequate	99	98	197			
•	(99.00)	(98.00)	(98.50)			
Total	100	100	200			
	(100.00)	(100.00)	(100.00)			

Source: Field survey, 2021.

Note: Figures in parentheses are percentage of respective total. BPL- Below Poverty Line, AAY- Antyodaya Anna Yojana

The data regarding ration adequacy available from FPSs are given in Table 2. The perusal of the table reveals the adequacy of ration distributed through fair price shops. From the above table, it can be concluded that 98.50 per cent of all the sample households, 98 per cent AAY and 99 per cent BPL householdsreported that quantity of the ration supplied through PDS was inadequate. Only few of them feel that quantity supplied was adequate to meet their family needs. Result indicates that maximum numbers of households were not satisfied with the entitled ration quantity distributed through FPSs as the ration was not adequate to meet for their family requirements. The result of the study was supported by the findings reported by Beura and Mishra (2022). Therefore, in order to meet the requirement of the ration of the each member in a family, the govt. should provide ration according to the number of family members enrolled in the ration card rather than entitlement of the ration on the basis of the individual ration card.

**Table 3:** Awareness of sample households about the functioning of fair price shops services

(Number)					
Particulars	BPL	AAY	Total	$\varkappa^2$	
I) Opening &clos	ing hours		1		
Aware	77	72	149		
	(77.00)	(100.00)	(74.50)		
Unaware	23	28	51	$0.66^{NS}$	
	(23.00)	(28.00)	(25.50)	p=0.42	
Total	100	100	200	]	
	(100.00)	(100.00)	(100.00)		
II) Working days	in a week				
Aware	89	76	165		
	(89.00)	(76.00)	(82.50)		
Unaware	11	24	35	5.85**	
	(11.00)	(24.00)	(17.50)	p=0.02	
Total	100	100	200	•	
	(100.00)	(100.00)	(100.00)		
III) Contact numb	er of dealer				
Aware	22	26	48		
	(22.00)	(26.00)	(24.00)		
Unaware	78	74	152	$0.62^{NS}$	
	(78.00)	(74.00)	(76.00)	p=0.51	
Total	100	100	200	1	
	(100.00)	(100.00)	(100.00)		
IV) Stock details					
Aware	44	39	83		
	(44.00)	(39.00)	(41.50)		
Unaware	56	61	117	0.51 <sup>NS</sup>	
	(56.00)	(61.00)	(58.50)	p=0.47	
Total	100	100	200	_ ^	
	(100.00)	(100.00)	(100.00)		

V) Types of PDS commodities available				
Aware	88	77	165	
	(88.00)	(77.00)	(82.50)	
Unaware	12	23	35	4.19**
	(12.00)	(23.00)	(17.50)	p=0.04
Total	100	100	200	1
	(100.00)	(100.00)	(100.00)	
VI) Entitled quantities of PDS commodities				
Aware	80	70	150	
	(80.00)	(70.00)	(75.00)	
Unaware	20	30	50	2.67 <sup>NS</sup>
	(20.00)	(30.00)	(25.00)	p=0.61
Total	100	100	200	•
	(100.00)	(100.00)	(100.00)	
VII) Entitled prices of PDS commodities				
Aware	74	67	141	
	(74.00)	(67.00)	(70.50)	
Unaware	26	33	59	1.18 <sup>NS</sup>
	(26.00)	(33.00)	(29.50)	p=0.28
Total	100	100	200	
	(100.00)	(100.00)	(100.00)	

Source: Field survey, 2021.

Note: Figures in parentheses are percentage of respective total. BPL- Below Poverty Line, AAY-Antyodaya Anna Yojana

\*\* Significant at 5 per cent, NS: Non-significant

The awareness is most important component that should be taken into account in the evaluation of any developmental program. The sample households should have awareness of the scheme in order to avail its associated benefits. The study made an attempt to determine the level of knowledge of sample households' on the information displayed outside the FPSs regarding opening & closing hours, working days, types of commodities available and entitled quantities & prices of commodities, contact number of dealers and stock details of commodities.

Table 3 shows about the relationship between different aspects of the functioning of the fair price shops like opening & closing hours, working day, contact no. of dealers, stock details, types of commodities available, entitled quantities and prices of commodities and awareness of the sample households (BPL & AAY).

Chi-square test was applied to know the differences in information displayed outside the fair price shops with beneficiaries. The result of the awareness of sample households regarding different aspects of the functioning of the fair price shops along with chi-square value are also given in Table 3. Table clearly shows that there is a significant relationship between awareness (BPL & AAY) of sample households and functioning of the fair price shops services such as working days in a week (p-value = 0.02, chi-square value = 5.85) & types of commodities (p-value = 0.04, chi square value = 0.04) and the square value = 0.04 are value = 0.04.= 4.19) Since, p-value is less than  $\alpha$  (0.05) level of significance. Therefore, null hypothesis is rejected. It indicates that there is a difference in the awareness of BPL & AAY sample households based on functioning of the FPSs such as working days and type of PDS commodities.

Likewise, it can be inferred from this table that there is no significant relationship between responses of sample households (BPL & AAY) and some aspects of the functioning of the fair price shops services such as opening hours (p-value = 0.42, chi-square value = 0.66), contact no. of dealers (p-value = 0.51, chi-square value = 0.62), stock details (p-value = 0.47, chi-square value = 0.51), entitled quantity of PDS commodities (p-value = 0.61, chi-square value = 2.67) and entitled prices of PDS commodities (p-value =0.28, chi-square value = 1.18). Since, p-values are greater than  $\alpha$  (0.05) level of significance. Therefore, the null hypothesis is accepted. It implies that that there is no difference in the responses of BPL & AAY sample households about the functioning of the FPSs in terms of opening hours, contact no. of dealers, stock details, entitled quantity of PDS commodities.

The perusal of table further shows that out of total, 74.50 per cent of households were aware about displaying the opening & closing hours outside the FPSs and 25.50 per cent of households opposite

to it. Among the category of BPL & AAY, 77 per cent& 72 per cent of households were aware about displaying opening hours outside the FPSs, respectively. Whereas, 28 per cent of AAY & 23 per cent of BPL respondents were not aware about it. The study shows that a majority of households were aware about displaying the opening hours of FPSs. Similar findings were observed in the earlier study undertaken by Diksha and Kaushik (2017).

It may be noticed from the table that regarding displaying of days among, more than four-fifth (82.50%) of households were aware of this notice and less than one-fifth (17.50%) of households were unaware about the working days displayed outside the FPSs. Among the categories of BPL & AAY, 89 per cent & 76 per cent of the households were aware about the displaying of working days outside the FPSs, respectively. Whereas, 24 per cent of AAY households & 11 per cent of BPL households were not aware of it. It seems that majority of the PDS households were aware about the displaying of the working days. The results were consistent with the findings of Diksha and Kaushik (2017).

It is further clear from the table that around three-fourths of the sample households (76%) were unaware about the displaying contact number of dealers outside the FPSs while one-fourth of the households were aware of it. Among the categories of BPL & AAY, 78 per cent & 74 per cent of the households were unaware about displaying contact number of dealers outside the FPSs, respectively and remaining were aware of it. The study shows that most of the households were unaware about displaying the contact number of the dealers. These were contrary to the results reported by Diksha and Kaushik (2017).

As far as awareness about display of stock details is concerned,, more than half of households (58.50%) were unaware about this and rest of the households (41.50%) were aware about it. The category-wise analysis reveals that majority of AAY households (61%) and a little more than half of BPL households (56%) were unaware about displaying stock details outside the FPSs. Thus it can be concluded from the table that most of the households were not aware about displaying stock details outside the FPSs. Similar results were reported by Diksha and Kaushik (2017).

Regarding awareness about the types of commodities available, more than four-fifths of the households (82.50%) were aware about this. Among the category of BPL & AAY households, 88 per cent of the APL & 77 per cent of BPL households were aware about displaying types of commodities available outside the FPSs. Therefore, the study shows that the most of the households were about the displaying of the types of commodities available outside the FPSs. Similar findingswerereported by Mallick and Mohapatra (2020).

As far as awareness about display of entitled quantities of PDS commodities is concerned, threefourths of the sample households (75%) were aware about the commodities being sold through fair price shops. The category-wise analysis reveals that 80 per cent of the BPL households and 70 per cent of the AAY households were aware about displaying entitled quantities of PDS commodities outside the FPSs. Thus, it can be concluded from the table that most of the households were aware about displaying entitled quantities of PDS commodities outside the FPSs. Similar findings were reported by Mallick and Mohapatra (2020).

Regarding awareness about display of prices of PDS commodities, among all around 70 per cent of the sample households were aware about it. Among the category of BPL & AAY, 74 per cent & 67 per cent of sample households were aware about displaying entitled prices of PDS commodities outside the FPSs, respectively. The study shows that most of the households were aware about the displaying of entitled prices of PDS commodities outside the FPSs. Similar findings were reported by Mallick and Mohapatra (2020).

## 6. CONCLUSION

PDS is one of the most important food security programs of India. It provides food grains to almost two-third of India's population. Its main objectives are to ensure the access of food grains to the people and stabilize the prices of necessary food commodities. Any scheme in country can be successful only when its people are aware of different aspects of the scheme. The major finding of the study is that that most of the sample households were not satisfied with the entitled quantity of the ration distributed through FPSs because the ration was inadequate to meet their family



requirements. Most of the households were aware about the functioning of the fair price shops like opening hours, working days, types of commodities available & entitled quantities and prices of commodities. Whereas, very few sample households were aware about the contact number of dealers and stock details. Therefore, in order to meet out the requirement of the rationof a family its adequate amount should be provided and necessary steps should be taken to disseminate the information regarding the functioning of the FPSs services by the concerned.

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