

A Case Study on the consumer satisfaction towards the Fair Price Shop under Kohima Town

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Abstract

Fair price shop distributes rations at a subsidized rate to the poor. The commodities which it sells are wheat, rice, sugar and kerosene and for availing these commodities the consumer must have their ration card. In Nagaland there are 1656 Fair Price Shops and in Kohima there are 39 FPS through which the commodities are distributed to the beneficiaries. The Department of Civil Supplies and Consumer Affairs of Government of Nagaland is responsible for procurement and distribution of essential commodities to general public. The present study was undertaken with the objective to study about the consumer satisfaction level in fair price shop and to identify the problems and suggestions to improve the ration supply system. The study area was conducted in Kohima district in Nagaland. The primary data was collected from 50 respondents in Kohima. The study was conducted using both primary and secondary data, the information was collected through the use of questionnaires and the data were statistically analyzed by using percentage method. Through this study we get to know various problems faced by the beneficiaries of FPS in Kohima and help to find suggestions for proper functioning of FPS.

Key words: fair price shop, ration card, Priority Household Scheme, BPL

I. INTRODUCTION

Fair price shops are shops that distributes essential commodities like rice, wheat, sugar and Kerosene to the poor and needy who lives below poverty line (BPL) and also to the people living above poverty line(APL).The beneficiaries in order to avail these commodities must have ration card which are issued by the Department of Civil Supplies and Consumer Affairs office of the respective states of the Country. The ration shops are licensed shops issued under section 3 of the essential commodities Act,1955 which comes under the Targeted Public Distribution System.

Nagaland is hilly terrain region with 70% of population dependent on agriculture. However, the agriculture of the state cannot feed all the population of Nagaland. The poverty rate of Nagaland is 18.88%. Therefore, the essential commodities are very much needed to the people who are deprived of essential food items. In Nagaland there are total 1,656 fair price shops and in Kohima there are 39 fair price shops. The fair price shops are operated throughout the country by joint assistance of the centre and state governments.

The states are responsible of distributing food grains to customers through a network of reasonably priced retailers, while the central government is in charge of purchasing, storing, transporting, and allocating them in bulk.

The functioning of stores with fair prices is overseen and monitored by state governments, as is the identification of low income families and the distribution of resources to them.

Its main role is to provide food security and prevent malnutrition and poverty. One must have ration card to avail commodities from fair price shop.

In Nagaland, primarily there are two types of ration cards that have been issued to the beneficiary as per their eligibility and the schemes are implemented. They are:

1. PHH (Priority Household): Under this, the eligible beneficiaries of the state are provided white ration cards under which they are entitled to 5 Kg of rice per month at a subsidized rate. (INR 3 per Kg).

2. AAY (Antyodaya Anna Yojana for poor household): Beneficiaries who are identified under this are being provided blue ration card and in a single month, they can draw 35 Kgs of food grain like rice.

AAY (PDS Sugar): Under this 1 kg of sugar is allotted to the AAY Ration cardholders at the rate of 22.45/Kg.

II. REVIEW OF LITERATURE

1. Kumar Parmod (2010) evaluated in his study “Targeted Public Distribution System: Performance and Inefficiencies” where he discovered that the PDS system was ineffective in the six states that were picked. PDS's performance in terms of feeding the hungry in Delhi and Uttarakhand, where about 35 kg of grains were delivered to more than 98% of the targeted categories, was quite satisfactory. In Kerala and Maharashtra, more than 96 percent of the targeted demographics were covered. In Madhya Pradesh and Jharkhand, the amount of cereal distributed and the targeted population both fell short of the objective.
2. Balchand (2011) says stated the expected total for TPDS grain sales was 12.17 million tonnes. About 30% of that was purchased by low-income households with BPL or AAY cards, while another 8%, or one million tonnes, was made available to other low-income households. Therefore, 38% of the total quantity of TPDS grain sales were made by poor households. The poor category includes those who are homeless and fully indigent by default (3- 4 percent). Other households on the BPL list are to be prioritised using the following seven indicators. Under the new legislation, it is estimated that 46% of rural households will be added to the BPL list.
3. Ray Sarbapriya and Ishita Aditya Ray (2011) performed research on the Public Distribution System's contribution and efficiency to India's food security: She conducted research and discovered that since economic liberalisation began in 1991, efforts to address food security have been undermined, which has had a highly negative influence on consumption and nutrition. With the inflation rate currently running so high, the situation is even more dire. Social audit should therefore come after transparency and accountability in how the governments run.
4. BrijPal (2011) According to his analysis, many states are lending their ration cards to the operators of ration stores, and the recipients are unaware of their legal rights and is recommended that there be a definite policy.
5. Nair Reshmy (2011) The public distribution system in Kerala was cited as an example for most other states as an efficient way to ensure food security. But the key characteristics of Kerala's model—universal coverage, high rates of utilization, progressive utilization, etc.—that won great acclaim and admiration were no longer relevant in the modern day. The implementation of a targeted public distribution system (TPDS), which led to a significant exodus from the system, does not appear to have provided Kerala with any further benefits. The associated advantages of progressive distribution to the poorest regions had not manifested, in addition to the offtakes having significantly decreased. The very arbitrary selection of beneficiaries had led to the

deprivation of the advantage of the food security cover for sizable qualified households, despite the fact that the truly needy continue to depend on the system.

6. Khera Reetika (2011) analysed field survey data the author had gathered in Rajasthan to determine how effective India's Public Distribution System (PDS) was as a food security solution. The study showed that usage was poor and that many households bought wheat at higher costs from the market before using up their PDS quotas. By extending the dual-pricing model to take into consideration supply-side (such as diversion) and demand-side (such as transaction costs) constraints, this "mystery of under-purchase" was examined. Field observations and both primary and secondary data indicated that supply issues were the main cause of under-purchasing. Additionally, it was discovered that the PDS had an impact on cereal consumption's content, moving away from more nutrient-dense "coarse cereals," rather than its volume.
7. Singh Anshu and Vinit Kumar(2011) claimed that there is a clear connection between anti-poverty issues and the public distribution system because only such a system has the infrastructure to deliver necessities to meet BPL households' minimum food requirements, to control market prices, and to deliver food grains to welfare and anti-poverty programme beneficiaries. First, public distribution systems control prices while also safeguarding consumers from being taken advantage of by the ruling class.

III. SIGNIFICANCE OF THE STUDY

The study will help the government officials working under National Food Security Program to look into the issues that beneficiaries of PDS under Kohima district are facing and will help to implement a solution. The study will provide suggestion for ensuring the benefits of Food and National Security of the nation and fair price shops. It will help in stabilising food prices and making it available to the poor at affordable prices. The study will also provide current datas and will show an analysis on the level of satisfaction that the consumers have been receiving through (Fair Price Shop) FPS in Kohima district.

IV. OBJECTIVES OF THE STUDY

1. To study about the consumer satisfaction level in fair price shop.
2. To identify the problems and suggestions to improve the ration supply.

V. RESEARCH METHODOLOGY

Area: Kohima district has been selected as the sample district.

Sample size: Altogether 50 beneficiaries were selected through purposive sampling as sample size for the study. The present study is confined to the beneficiaries who avail services of fair price shop (Ration shop) in Kohima district.

Data collection: The study is based on primary and secondary data. The primary data has been collected from the beneficiaries of 4 colonies and also from the office of Department of Food, Civil Supplies and Consumer Affairs by using purposive sampling technique. The four colonies or ward included are Chandmari, PWD, Midland and P.R.Hill; through interview and structured questionnaire we collected the data for analysing beneficiaries level of satisfaction from fair price shop. Secondary data has been collected from journals, internet, articles, report and books; mainly to study about the role of fair price shop in Kohima.

Statistical tools: Appropriate statistical tool such as simple percentage method was adopted.

Period of study: The present study covers the period from January to April, 2022.

VI. DATA ANALYSIS AND INTERPRETATION

The results were obtained from the consumers of Fair Price Shop who responded to the survey questionnaire. These were discussed below.

Table:1, Number of years the respondent have been availing commodities from the fair price shop under Priority Household Scheme.

Years	Frequency	Percentage
1-10	47	94
11-20	2	4
21-30	1	2
Total	50	100

Sample survey

Interpretation: Table 1, shows that majority 94% of the respondents have been availing commodities from fair price shop for last 1-10 years under Priority Household Scheme.

Table.2: Price payment per units of the commodities.

Items	(In Rupees)per unit
Rice	Rs 5 per Kg
Sugar	Rs 40 per Kg
Kerosene	Rs.50 per litre.

Sample survey

Interpretation: However the beneficiaries have pay for Rs.5 per Kg and per head in a family receive 5Kg of rice. They receive the food grains every month but for sugar and kerosene are not regular, they receive twice or thrice in six months or in a year. It depends upon the supply. For rice its regular, they receive every month. Example: If the ration card has 5 members,the family have to pay Rs.125 because per head its 5kgs and per Kg is Rs.5.

Table.3: Whether all the respondents have been receiving the commodity monthly under the scheme.

Response	Frequency	Percentage
Yes	50	100
No	0	0
Total	50	100

Sample survey

Interpretation: Table 3, shows that all the respondents receive the commodities monthly under the PHH (Priority Household) scheme. This shows regularity in opening and distributing the food grains in FPS.

Table 4: Amount of Time spent on Fair Price Shop while taking ration.

Hours	Frequency	Percentage
Upto one hour	30	60
Two hours	11	22
Two hours and above	9	18
Total	50	100

Sample survey

Interpretation: Table 4 shows that the amount of time spent in fair price shop by respondents upto one hour is 60%,for two hours is 22% and for two hours and above is 18%.Hence,the majority of respondents has to spent their time in FPS upto one hour which is 60%.There are various reasons for their hours of standing in line. Firstly, because everyone rushes in the morning hour just after the announcement has made. Secondly, the hours of opening of FPS were very less ie.4-5 hours and that is also once or twice in a month which makes the crowd. Thirdly, some FPS provides food grains to two colonies at a time which is certain that there will be greater number of beneficiaries and the time spent on FPS to avail the commodities will also be longer

Table 5: Consumer satisfaction level in FPS

Sl.no.	Services provided		Strongly disagree	Disagree	Neutral	Agree	Strongly Agree	Total
1	Accurate weight of goods	Frequency	2	2	14	29	3	50
		Percentage	4	4	28	58	6	100
2	Price of goods is affordable	Frequency	2	2	3	37	6	50
		Percentage	4	4	6	74	12	100
3	Good quality of commodities for consumption	Frequency	2	2	21	23	2	50
		Percentage	4	4	42	46	4	100
4	Timely distribution of goods and related information	Frequency	2	2	4	36	6	50
		Percentage	4	4	8	72	12	100
5	Employees properly response for queries raise	Frequency	2	3	5	39	1	50
		Percentage	4	6	10	78	2	100
6	Customer friendly	Frequency	2	2	8	36	2	50
		Percentage	4	4	16	72	4	100

	employees							
7	Timely opening of fair price shop	Frequency	1	1	8	34	6	50
		Percentage	2	2	16	68	12	100
8	Hygiene condition	Frequency	2	1	16	29	2	50
		Percentage	4	2	32	58	4	100
9	Location of fair price shop is convenient	Frequency	2	2	13	28	5	50
		Percentage	4	4	26	56	10	100
10	Fair Price Shop as a safety net to poor people	Frequency	2	0	5	36	7	50
		Percentage	4	0	10	72	14	100
11	Working days of fair price shop is convenient.	Frequency	2	2	8	35	3	50
		Percentage	4	4	16	70	6	100

Sample survey

Interpretation: Table 5, analysis indicates that out of 50 respondents, the consumer satisfaction level is 58% who agrees for distribution of goods in accurate weight .However, if taken in form of bags i.e, 1 bag consists of 50 kgs which is accurate but if they take in open less than 50 kgs, the employees of FPS uses cup or buckets to measure the kilos. There is no proper weighing machine in FPS .74% of the respondents agrees with the prices of goods which is affordable i.e. the beneficiaries have to pay Rs.5 per Kg ,for sugar is Rs.40 per Kg and for Kerosene is Rs.50 per litre.46% agrees with good quality of commodities for consumption while only 4% strongly disagree with it because they feel that the quality of rice should be improved.72% agrees with timely distribution of goods and related information as it is given by SMS or the Village Head (gaon bura) announces.78% agrees with employees properly response for queries raise and 72% agrees with customer friendly employees, this shows there is cooperation between the beneficiaries and the employees of FPS. According to the survey majority of the respondents i.e 68% agrees with timely opening of FPS which opens from 9am-1 pm once or twice in a month.58% agrees with the hygiene condition of FPS and its commodities.56% agrees and is satisfied with the location of FPS whereas 26% is neutral and 4% strongly disagrees because in some colonies there is no FPS for which they have to avail the commodity from other colony’s FPS. 72% agrees that FPS provides food security to the poor people as it provides food grains to thousand of household.70% agrees and is satisfied with the working days of FPS which is once or twice in a month depending upon the supply of commodities from the Department of Food Civil Supplies and Consumer Affairs.

Table 6: Are the respondents satisfied with the overall services provided by FPS?

Response	Frequency	Percentage
Yes	49	98
No	1	2
Total	50	100

Sample survey

Interpretation: Table 6. Shows that 98% of the respondents are satisfied with the services provided by Fair Price Shop and 2% are dissatisfied. .Hence, it can be seen that the working of FPS in Kohima is quite satisfactory.

Table 7: Problems of the respondents or beneficiaries

Sl no.	Sources	Frequency	Percentage
1	Hoard and Black marketing	1	2
2	Adulteration	5	10
3	Irregularity in opening of FPS	1	2
4	Long distance of distribution point	5	10
5	Showing favouritism to relative ,influential person	1	2
6	Standing long time in queue	27	54
7	Shortage of food rice	8	16
8	Lack of information in time	2	4
	Total	50	100

Sample survey

Table 7: According to the survey, there are 54% of respondents who complains about standing long time in queue. There are various reason related to it – due to rush in morning hours just after announcement, due to less hours of opening of fair price shop.16% of the respondents complains about the shortage of food grains, they find it insufficient for their family.10% complains about long distance of distribution point which is due shortage or lack of FPS in some colonies.10% complains about adulteration because sometimes they find expired rice mixed with new one while taking in small quantity.4% complains about lack of information in time.2% complains about hoard and black marketing, irregularity in opening of FPS and showing favouritism to relative ,influential person. The majority of the respondents i.e 54% complains about standing long time in queue.

VII. SUGGESTIONS

- Accurate electronic weighing machine must be given to fair price shops by the government so that the employees of FPS can use weighing machine inorder to distribute the commodities accurately and not use bucket or cups to measure the food grains. The availability of weighing machine is necessary for proper functioning of fair price shops.
- For those beneficiaries whose card is issued temporarily should be made permanently without much delay by verifying its genuinely which is mostly checked by linking Aadhaar number and

also by verifying other documents by the office so to check whether the beneficiaries are really eligible for ration .

- Issue of card and its processing for any change like inclusion of new family members in the card or issue of card for a new family is delayed. Therefore, it should be verified and issued.
- Better quality of rice should be provided because sometimes the quality of commodities is not satisfactory, the quality should be checked.
- Proper distribution of food grains to the beneficiaries. As in the card the issue of rice, sugar and kerosene is mentioned but sugar and kerosene is not distributed monthly on regular basis, it is distributed twice or thrice in six months or yearly. If distributed regularly would have been better.
- The storage room for rice should be damp proof.
- Better hygienic room with sufficient space for the storage should be maintained.
- The FPS owners should avoid mixing of old expired rice with the new one while distributing the rice in small amount.
- Some colony people have to go to another colony's fair price shop to avail the commodities due to non –availability of FPS in their one which increases the labour charge ie Rs.100 for carrying the rice bag which is not cheap .Therefore, each colony should have at least one FPS for the convenience of beneficiaries because location, distance and number of beneficiaries also matters.
- During rainy season the fair price shop gets closed fast and within a short period of time the beneficiaries have to avail the commodities in rush and there is huge crowd which should be taken care of and some measures must be taken for both the workers of FPS and beneficiaries. The solution may be extension of hours of opening the FPS and providing token system.
- LPG gas should be given at subsidized rate along with Kerosene.

VIII. CONCLUSION

Fair price shop is a good medium to curtail the unequal distribution of food grains in the society and stabilize the price in the open market. It provides food grains to the poor and needy at affordable price and prevents famine, hunger and poverty. It is a very good scheme that is implemented but has to reach the poorest of the poor i.e. people Below Poverty Line without any anomalies only then the true value of this scheme will be seen and is made successful. The functioning of FPS is quite satisfactory in Kohima because 98% of the respondents are satisfied with the services provided by Fair Price Shop according to the survey. However some problems are still there which hinders the working of FPS they are majority of the respondents i.e 54% complains about standing long time in queue. Also there is no weighing machine in FPS to measure rice accurately. Therefore, accurate electronic weighing machine must be given to fair price shops by the government so that the employees of FPS can use weighing machine in order to distribute the commodities accurately and not use bucket or cups to measure the food grains. The availability of weighing machine is necessary for proper functioning of fair price shops. .Some colony people have to go to another colony's fair price shop to avail the commodities due to non–availability of FPS in their one. Therefore, each colony should have at least one FPS to prevent overcrowding and also for the convenience of beneficiaries because location, distance and number of beneficiaries also matters.

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