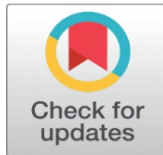
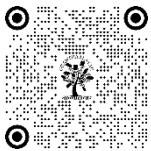


CONSUMER'S EXPECTATIONS AND PERCEPTION OF PUBLIC DISTRIBUTION SYSTEM IN INDIA: A CASE STUDY OF KANNIYAKUMARI DISTRICT

Jemsala. J¹✉, Dr. S. Shiny²✉

¹ Research Scholar, St. Jude's College, Thoothoor, Affiliated to Manonmaniam Sundaranar University, Tirunelveli

² Assistant Professor of Commerce, St. Jude's College, Thoothoor, Affiliated to Manonmaniam Sundaranar University, Tirunelveli



Corresponding Author

Jemsala. J,

anishjemsala3@gmail.com

DOI

[10.29121/shodhkosh.v5.i1.2024.2691](https://doi.org/10.29121/shodhkosh.v5.i1.2024.2691)

Funding: This research received no specific grant from any funding agency in the public, commercial, or not-for-profit sectors.

Copyright: © 2024 The Author(s). This work is licensed under a [Creative Commons Attribution 4.0 International License](https://creativecommons.org/licenses/by/4.0/).

With the license CC-BY, authors retain the copyright, allowing anyone to download, reuse, re-print, modify, distribute, and/or copy their contribution. The work must be properly attributed to its author.



ABSTRACT

The Public Distribution System (PDS) is a critical food security program designed to provide essential food and non-food commodities to the economically vulnerable segments of society through government-sponsored Fair Price Shops (FPS). By offering these commodities at subsidized rates, the PDS plays a crucial role in stabilizing market prices and ensuring access to essential goods in every part of the country. PDS operates under the Ministry of Consumer Affairs, Food, and Public Distribution and is managed collaboratively by both the central and state governments.

The study aims to assess consumer expectations and perceptions of the PDS, identify the problems faced by consumers, and make recommendations to meet consumer needs more effectively. It also explores the future development of the PDS to enhance its efficiency and reach.

Keywords: Public Distribution System, Consumer's Expectation, Perceptions

1. INTRODUCTION

The Public Distribution System (PDS) is a government-sponsored network of shops tasked with distributing essential food and non-food items to the economically weaker sections of society at highly subsidized prices. Key commodities distributed through the PDS include wheat, rice, kerosene, and sugar. This system plays a vital role in ensuring food security and helping stabilize market prices for these essential goods, particularly for low-income households across the country.

The responsibility for the procurement, storage, transportation, and bulk allocation of essential commodities to the states lies with the Central Government. In contrast, state governments handle the operational aspects, which include allocating resources within their jurisdictions, identifying eligible families for assistance, issuing ration cards, and supervising the functioning of Fair Price Shops (FPS). This division of responsibilities ensures that essential commodities

reach those in need effectively and efficiently while maintaining the overall integrity of the Public Distribution System (PDS).

The Public Distribution System (PDS) in India indeed has its origins during the Second World War, when the country faced severe food shortages due to global disruptions. The system was initially introduced to manage the scarcity of food grains and ensure that essential commodities reached the population at controlled prices. After India gained independence in 1947, the government recognized the importance of an uninterrupted supply of essential goods, particularly to vulnerable sections of society, to prevent hunger and malnutrition. This led to the establishment of a more structured Public Distribution System, which was aimed at ensuring food security for all.

Over the years, the PDS has evolved into India's largest poverty alleviation program, distributing subsidized food grains and essential goods like rice, wheat, sugar, and kerosene to millions of households, particularly those below the poverty line. The system operates through a vast network of Fair Price Shops (FPS) across the country. The PDS has played a crucial role in reducing hunger and supporting livelihoods, although it has also faced challenges like inefficiency, leakage, and corruption. In recent years, reforms like the Targeted Public Distribution System (TPDS) and digitalization efforts have been introduced to improve its reach and efficiency.

2. STATEMENT OF THE PROBLEM

The Public Distribution System (PDS) in India serves as a crucial lifeline for the vulnerable sections of society, providing essential commodities at subsidized prices. However, the government faces significant challenges in maintaining this system, particularly during periods of poor domestic production. Employees at Fair Price Shops (FPS), whether part of consumer cooperatives or civil supplies corporations, often encounter numerous difficulties. They frequently receive criticism when they are unable to meet demand due to supply shortages and struggle with overcrowding at FPS during peak times, leading to further operational challenges. From the perspective of cardholders, several constraints affect their experience with the PDS, such as, irregular supply, limited range of items, underweight deliveries.

These issues prompted the researcher to study cardholders' perceptions of the PDS. The findings from this study aim to shed light on the diverse challenges faced by stakeholders in the system. By understanding these perceptions and challenges, the government can better recognize areas that require improvement and take necessary actions to enhance the effectiveness and efficiency of the PDS.

OBJECTIVES OF THE STUDY

1. To Examine the expectations and perception level of consumers in various service quality under Public Distribution System.
2. To identify the problems faced by the consumers.
3. To provide recommendations and strategies to improve consumer perception of Public Distribution System.

REVIEWS OF THE STUDY

1. **Khera (2011)** examined the effectiveness of India's Public Distribution System (PDS) as a food security intervention, highlighting several challenges related to its utilization. The study found that the overall utilization of PDS was significantly low, with many beneficiaries opting to purchase wheat and other essential commodities from the market at higher prices rather than using the subsidized options provided through PDS dealers. This discrepancy suggests issues such as inadequate supply, irregular distribution, or a lack of trust in the quality of commodities offered through the PDS, ultimately impacting its effectiveness as a means to ensure food security for vulnerable populations.
2. **Reetika Khera (2011)** in her article analyses the growing advocacy for cash transfers as an alternative to the Public Distribution System (PDS). Proponents of cash transfers often start from the premise that the PDS has been a significant failure and is beyond recovery. Khera's analysis highlights that while cash transfers may offer certain advantages, such as providing beneficiaries with greater flexibility and choice in purchasing food, it is essential to critically evaluate the effectiveness and impact of the PDS. She discusses the potential for revitalizing the PDS by addressing its shortcomings rather than completely replacing it with cash transfer schemes, emphasizing the importance of ensuring food security for vulnerable populations.

3. **Anthony Satish and narendra B. Gaonkar (2020)** in their study highlight the significance of food security, particularly in the context of India's National Food Security Act (NFSA) enacted in 2013. They emphasize that nutritional security is of paramount importance not only for India but also globally. Their findings align with a report from the United Nations Children's Fund (UNICEF) in 2020, which calls for transforming the food system to reduce the costs of nutritious foods and enhance the affordability of healthy diets.
4. **Swati Narayan (2021)** in his article discusses how the COVID-19 pandemic has exacerbated existing inequalities within India's food entitlement infrastructure. She notes that only individuals with existing ration cards have benefited from the Public Distribution System (PDS) during this crisis, leaving many vulnerable populations without access to essential food supplies. Narayan emphasizes that India is expected to witness a significant increase in the number of impoverished individuals due to the pandemic's impact. Despite this pressing issue, she points out that the central government has allocated less than 3% of the GDP as a fiscal stimulus for food subsidies. This minimal support has been insufficient to adequately protect vulnerable communities from food insecurity, highlighting the urgent need for more robust and inclusive measures to address the challenges faced by those dependent on the PDS and ensure food security for all.
5. **Rashmi Pandey et,al (2023)** in their analyse, the role of Fair Price Shops (FPS) as a crucial point of contact between beneficiaries and the Public Distribution System (PDS). They highlight that while FPS serve as the primary interface for delivering essential commodities, there is a pressing need to strengthen the overall system. The authors emphasize that improvements are necessary not only regarding the quantity and quality of grains provided but also in enhancing customer service and reducing discrimination among beneficiaries. By addressing these areas, the study suggests that the effectiveness of the PDS can be significantly improved, ensuring that it better meets the needs of vulnerable populations and enhances overall food security.

METHODOLOGY OF THE STUDY

The study is empirical in nature and based on both primary and secondary sources. The secondary data have been collected from a variety of sources, including books, journals, newspapers, periodicals, reports and website.

To ensure the sample's representativeness, a simple random method was employed to collect responses from the respondents. Simple Random Sampling is a scientific sampling method. Data is collected by personally the cardholders. Data analysis involved the use of statistical techniques such as Simple Percentage Analysis, ANOVA, Garret Ranking and Service Quality Gap.

ANALYSIS AND INTERPRETATIONS

1.6.1. Socio-Economic Factors of the Respondents

TABLE 1

S.No	Attributes	Frequency	Percentage
1.	Age		
	Upto 30 years	81	14.1
	31-40 years	152	26.4
	41-50 years	273	47.5
	Above 50 years	69	12.0
2.	Gender		
	Male	211	36.7
	Female	364	63.3
3.	Monthly Income		
	Below 10,000	377	65.6
	Above 10,000	198	34.4

Source: Primary data

Table 1 provides insights into the demographic characteristics of the respondents. It indicates that the majority of respondents are in the age group of 41-50 years. Furthermore, 63.3% of the respondents are female, and most respondents fall within the income group of below 10,000.

1.6.2. Age Group of Sample Respondents and Perception about PDS

In order to find the relationship between age group of respondents and perception about PDS, 'ANOVA' test is used. The hypothesis is framed as follows,

The null hypothesis (H_0) - "There is no significant difference among different age group of respondents with respect to the perception about PDS in Kanniyakumari district".

The alternative hypothesis (H_a) - "There is a significant difference among different age group of respondents with respect to the perception about PDS in Kanniyakumari district".

The result of 'ANOVA' test for perception about PDS among different age group of respondents is presented in Table 2.

Table 2
Age Group of Sample Respondents and Perception about PDS

Perception about PDS	Age Group (Mean Score)				F Statistics
	Up to 30 years	31 - 40 years	41 - 50 years	Above 50 years	
Expecting of more other essential commodities	3.3580	3.2895	3.5458	3.7246	7.400*
Expect all commodities are issued in packets	3.5185	3.3092	3.3187	3.7101	5.766*
Expectation of good quality on the commodities	4.2716	4.3355	4.2308	3.8406	5.902*
Unwanted commodities are sold	3.4568	3.4145	3.3590	3.4783	0.934
Expect issue of tokens for purchasing of commodities	3.1975	3.4539	3.1575	3.0145	3.225*
The ration commodities is not all needed \ essential	2.8272	2.6184	2.4029	3.4493	6.408*
Ration commodities are very helpful to consumers and their family	3.0123	2.5789	3.0659	3.0580	4.285*
Quantity is insufficient to the family	3.6790	3.7632	3.3370	3.6957	7.707*
To reduce the price of the commodities/ issue Free of Cost	4.8519	4.9211	4.9121	4.5652	6.427*
Expect the commodities are directly delivered at home	4.5568	4.7039	4.7436	4.7391	3.954*
Expect cash instead of ration commodities	4.4922	4.9259	4.9341	4.9583	1.703

Source: Primary data

*-Significant at five per cent level

From the above table, it is understood that to reduce the price of the commodities and expect the commodities are directly delivered at home are the important perception about PDS among the respondents who are in the age group of up to 30 years as their mean scores are 4.8519 and 4.5568 respectively. It is further understood that expect cash instead of ration commodities and to reduce the price of the commodities are the important perception about PDS among the respondents who belong to the age group between 31-40 years as their mean scores are 4.9259 and 4.9211 respectively. Table further shows that expect cash instead of ration commodities and to reduce the price of the commodities /issue Free of Cost are the important perception about PDS among the respondents who are in the age group between 41-50 years as their mean scores are 4.9341 and 4.9121 respectively. Further indicates that expect cash instead of ration commodities and expect the commodities are directly delivered at home are the important perception about PDS among the respondents who belong to the age group of above 50 years as their mean scores are 4.9583 and 4.7391 respectively. Regarding the perception about PDS among different age group of respondents, are statistically significant at 5 per cent level.

1.6.3. Service Quality Gap in Expectation and Perception About Public Distribution System

In order to find out the service quality of Public Distribution System, the data have been collected from the customers using 8 variables. The service quality gap is calculated by Service quality gap = Expectation - Perception

Service quality Gap in Expectation and Perception about Public Distribution System

The following table shows the service quality gap in Public Distribution System.

Table 3
Service quality Gap in Public Distribution System

Sl. No	Statements	Expectation	Perception Mean	Service quality gap
--------	------------	-------------	-----------------	---------------------

		Mean		
1.	Quality of the commodities	4.48	3.34	1.14
2.	Service of the shops	4.34	3.80	0.54
3.	Price of the commodities	4.02	3.64	0.38
4.	Quantity	4.43	3.69	0.74
5.	Availability	4.11	3.44	0.67
6.	Location of shops	4.22	3.59	0.63
7.	Shop Timing	4.26	3.85	0.41
8.	Behaviour of staff	4.23	3.44	0.79

Source: Primary Data

It is clear from the table that the mean scores of expectations are high and range from 4.02 for (item 3: Price of the commodities) to 4.48 for (item 1: Quality of the commodities). Among the eight variables, the highest expectation is related to the Quality of the commodities (mean score = 4.48) and the lowest expectation is related to the Price of the commodities (mean score = 4.02).

The mean score of the perceptions ranged from 3.34 for (item 1: Quality of the commodities) to 3.85 for (item 7: Shop Timing). Among the eight variables, the highest perception related to the Shop Timing (mean score = 3.85) and the lowest perception related to the Quality of the commodities (dimension's mean score = 3.34).

The gap score for each item and dimension was computed by subtracting the perception score from the expectation score. Table further shows that the highest gap of the quality relates to the Quality of the commodities (gap mean score = 1.14), and there is a considerable gap between the customer's expectations and perceptions. The lowest gap of the quality relates to the Price of the commodities (gap mean score = 0.38).

1.6.4. PROBLEMS FACED BY THE CONSUMERS

TABLE 4

S.No	Attributes	Frequency	Percentage
1.	Location of Fair Price Shop		
	Within the Locality	230	40.3
	Outside the Locality	345	59.7
2.	Distance of residence and Fair Price Shops		
	Less than ½ K.m	212	36.9
	½ K.m to 1 K.m	174	30.3
	1 K.m to 2 K.m	81	14.1
	Above 2 K.m	108	18.8
3.	Time taken to purchase from Fair Price Shop		
	Less than 1 hour	77	34.4
	1 hour to 2 hours	300	52.2
	More than 2 hours	198	13.4

Source: Primary Data

Table 2 highlights the problems faced by consumers at Fair Price Shops. Most respondents indicate that the FPS are located outside their residential area. A majority of consumers report that the distance to the nearest FPS is less than ½ km, and the time taken to purchase commodities from the FPS ranges from 1 to 2 hours.

Table 5

Ranking of Reason for standing in the queue for longer time in the Fair Price Shop

Sl. No	Reasons	Total Score	Average Score	Rank
1.	No proper queuing system	31234	54.32	II
2.	Irregular shop timings	17980	31.27	VII
3.	Large number of cardholder allotted to a shop	24219	42.12	V
4.	Preference to known people	30464	52.98	III
5.	Not opening of depots on all days of the month	22241	38.68	VI
6.	Heavy rush	33764	58.72	I
7.	POS Device problems	28129	48.92	IV

Source: Primary data

As per the ranking regarding the suggestions to avoid delay and quick disposal of consumers at Fair Price Shop, Heavy rush has been selected as first rank with a mean score of (58.72) which is followed by No proper queuing system has been selected as second rank with a mean score of (54.32), Preference to known people has been selected as third rank with a mean score of (52.98), POS Device problems has been selected as fourth rank with a mean score of (48.92), Large number of cardholder allotted to a shop has been selected as fifth rank with a mean score of (42.12) and Irregular shop timings has been selected as last rank with a mean score of (31.27).

FINDINGS OF THE STUDY

The study collected data from 575 sample respondents in Kanniyakumari District to assess their perceptions and opinions on the services of the Public Distribution System. The findings are as follows.

1.7.1. Findings related to Perceptions and Expectations of PDS

1. It is seen that the majority of the beneficiary respondents fell under the age group of 41 to 50 years.
2. It is found that 36.7 per cent of the sample respondents are male and 63.3 per cent of them are female. It is inferred that majority of the sample respondents are female.
3. The study highlights that most of the sample respondents belong to the family monthly income of below Rs.10,000.
4. To reduce the price of the commodities and expect the commodities are directly delivered at home are the important perception about PDS among the respondents who are in the age group of up to 30 years.
5. The study shows that the highest gap of the quality relates to the Quality of the commodities (gap mean score =1.14), and there is a considerable gap between the customer's expectations and perceptions. The lowest gap of the quality relates to the Price of the commodities (gap mean score = 0.38).

1.7.2. Findings of Problems Faced by the Consumers

1. The study highlights that most of the sample respondents purchase all the commodities from Fair Price Shops within the locality.
2. The study highlights that most of the sample respondents have the distance of less than ½ K.m from residence to Fair Price Shop.
3. The study indicates that most of the sample respondents have taken 1 hour to 2 hours normally to purchase commodities from Fair Price Shop.
4. Among different suggestions to avoid delay and quick disposal of consumers at Fair Price Shop, Heavy rush ranks first which is followed by No proper queuing system ranks second, Preference to known people ranks third and Irregular shop timings ranks last rank.

SUGGESTIONS

The following suggestions are made for improving the functioning of fair price shops.

1. Most of the consumers are not able to purchase certain commodities due to non-availability of goods. Hence it is suggested that Tamil Nadu Civil Supply Corporation has to distribute essential commodities to fair price shops in right time in right quantity on the basis of number of cardholders of fair price shops. The Government should take necessary steps to avoid fraudulent activities of workers like sale of commodities to private shops.
2. The Government should take necessary steps to ensure proper supply of goods as per the monthly quota in time to avoid inconvenience to the family card holders.
3. Improving the quality of commodities distributed through the Public Distribution System (PDS) and ensuring a well-organized issuance schedule are crucial steps to enhance consumer satisfaction and effectiveness of the system.
4. FPS owners (Kotedars) should be mandated to prepare a clear and systematic schedule for the issuance of ration. This schedule should be made available well in advance and shared with consumers through notice boards at the FPS, mobile notifications, or SMS.
5. Each FPS should prominently display the issuance schedule, stock availability, and the prices of commodities on notice boards. This transparency can help build trust between consumers and FPS owners.

CONCLUSION

The study's findings and suggestions offer valuable insights into the challenges faced by consumers when purchasing commodities from Fair Price Shops (FPS) under Tamil Nadu's Public Distribution System (PDS). While the state government is making considerable efforts to meet the objectives of the PDS, several weaknesses and loopholes continue to hinder its efficiency and effectiveness. Addressing these issues could significantly improve the system and enhance consumer satisfaction. Reforming the PDS is essential to ensure that it effectively reaches its intended beneficiaries, minimizes leakages, and optimizes resource use. A combination of technological solutions, enhanced infrastructure, and innovative schemes like food coupons and DBT will modernize the system. Transparent processes, better accountability, and a robust grievance redressal mechanism are critical for restoring public confidence and ensuring food security for the most vulnerable.

CONFLICT OF INTERESTS

None

ACKNOWLEDGEMENTS

None

REFERENCES

<https://m.economictimes.com>

Mahima Gopal Ghabru , Ganga Devi and Nilam Rathod, "Public Distribution System in India: Key Issues and Challenges", Indian Journal of Economics and Development, September 15, 2017

Khera, R. (2011c). Trends in Diversion of PDS Grain. Economic and Political Weekly, 46(21), 106-114.

Reetika khera, "PDS : Signs of Revival", The Hindu, June 12, 2011, p.4.

Anthony Satish and narendra B. Gaonkar, Nutritional Security and Public Distribution System in Goa, Journal of XI'an Shiyou University, Natural Science Edition, 2021, ISSN:1673-064X, p.no67-68

Swati Narayan, Time for Universal Public Distribution System: Food Mountains and Pandemics Hunger in India, Indian Journal of Human Development, 15(3) 503-515, 2021, P.no 504.

Rashmi pandey, Anushka Tulsyan,, Sushma Kumari and Anand Pandey, Public Distribution System and Its Implementation in Sanathpur Village, Uttar Pradesh, The Review of Contemporary Scientific and Academic Studies, ISSN:2583-1380, VOL.3, Issue No.4, April 2023, Impact Factor:4.736(SJIF)