

3 Role and Policies of the Government in ensuring Food Security and National Food Security Act 2013 (NFSA 13)

After Independence in 1947 India was left with 82% of the total population but with only 75% of the cereal producing area . The Food Policy of Independent India was laid down by the Food Grains Commission of India in 1948..The next important landmark was to set up the Food Corporation of India (FCI) and the Agricultural Prices Commission in 1965.

The role of FCI was and to make available the grains to the States to feed the Public Distribution System to provide price support to farmers by purchasing quantities that could not fetch the minimum support price in the market, store the grains scientifically, move the grains from surplus to deficit areas, to handle the shortage of food grains. FCI's role to prevent with black marketing of the food grains by hoarders and to prevent increase in food grains prices thus ensured access of food to all consumers.

PDS means distribution of essential commodities to larger section of the society, mostly vulnerable people, through a network of Fair Price Shops on a recurring basis. The essential commodities under PDS at present are wheat, rice, sugar and kerosene.

The first government intervention in the PDS in India started in 1940 during the interwar period. Further genesis of PDS occurred during the periods of India-China and India-Pak wars when country face critical shortages of food grains. The PDS network expanded in 1970s and 1980s, after the Green Revolution. In the 1980s, the PDS coverage was extended to the rural areas. By 1985, efforts were made to make it available to all the tribal blocks of the country. PDS was setup to be a food security mechanism for the poor and underprivileged where basic necessities such as wheat, rice, sugar and kerosene are provided at highly subsidized rates to Below Poverty Level (BPL) citizens and at relatively higher, but still subsidized rates, to Above Poverty Level (APL) citizens. The responsibility is shared between the Central and State Governments in that the Central Government helps in procurement, allocation, storage and transportation to target states whereas the State Governments are responsible for beneficiary identification, distribution management, ration card management etc. PDS has been in operation for

several decades and its deficiencies are also well known. It caters to almost 90% population of the country spread across a very large geographical area. Today, with the network of around 5 lakh fair price shops PDS is virtually world's largest system of its kind. However, it has the following shortcomings:

- Its bias towards the urban consumers and inability to reach to the last corner of the country.
- Some states such as Bihar and UP were virtually out of the PDS network.
- There are no criteria of monitoring the high income group purchases more than low income purchases.
- The coverage and network of PDS does not ensure that the poorest or the poor is benefited.
- The PDS has been untargeted and proved to be regressive in some parts of the nations.
- Consumers get inferior food grains in ration shops. Because, the dealers replace good supplies received from the F.C.I. with inferior stock.
- Issue of the bogus cards in large numbers which are used to procure the grains from the PDS and sell them in open market.
- The dealers have little profit so indulge in malpractices.

3.1 Targeted PDS System

Operation of the PDS is the joint responsibility of the Central and the State Governments. The Central government is responsible for procurement, storage, transportation of food grains and bulk allocation of food grains to the State Governments. The state government's responsibility is operational such as identification of families below the poverty line, Issue of Ration Cards, supervision of the functioning of FPS. The PDS commodities viz. wheat, rice, sugar and kerosene, are allocated to the States/UTs for distribution by the Central Government. Cloth, exercise books, pulses, salt and tea, etc. are distributed by the state governments if they are capable to do so.

Till 1992, the PDS was untargeted and a general entitlement scheme for all consumers. Due to criticism & mismanagement allegations, in June 1992, the Revamped Public Distribution System (RPDS) was launched in 1775 blocks of the country.

However, in 1997, the Targeted Public Distribution System (TPDS) was introduced with effect from June 1997. The focus of the Targeted Public Distribution System (TPDS) is on "poor in all areas" and TPDS involves issue of 10 Kg of food grains per family per month for the population Below Poverty Line (BPL) at specially subsidized prices. The "Targeted" means that the focus is really poor and vulnerable sections of society. The identification of the poor under the TPDS is the responsibility of the State governments. The TPDS requires the states to

- Formulate and implement foolproof arrangements for identification of poor,
- Effective delivery of food grains to Fair Price Shops (FPSs)
- Its distribution in a transparent and accountable manner at the FPS level.

3.2 Need for Computerization of the Targeted Public Distribution System

The Government went on to realize that the most basic problems with the existing TPDS mechanism were the following:

- Ineffective management of beneficiary identities
- Existence of ghost cards acquire through incorrect means lead to severe distortion in equitable distribution of necessities
- Management of the identities in a decentralized manner further adding to existing woes of identity management
- The service recipients were not empowered with adequate tools to avail what is rightfully theirs as the beneficiaries were found to be dependent on the ways of FPS shops and were tied to particular FPS shops
- Absence of a proper grievance redressal mechanisms ensuring that the end beneficiaries were turned into mere spectators
- The number of transactions was too large for the department to maintain a strict vigil on each of them.
- Monitoring the transactions was impossible with the conventional pen and paper method as a result of which most transactions went unverified leaving an easy opening for shady PDS functioning.

- When a discrepancy was identified, it was difficult to actually fix responsibility because there was no accountability as far as key players of the PDS cycle were concerned.

Given the leakage in the PDS its computerization is a must for strengthening and revamping the Public Distribution System and for addressing the challenges faced i.e. inclusion/exclusion errors, leakages/diversion of foodgrains, lack of transparency, weak grievance redressal and social audit mechanism and lack of viability of Fair Price Shops (FPS). The Central Government has taken the initiative for end-to-end computerization of PDS across the country. For this purpose, a Scheme has been formulated to cover all States / UTs and end-to-end computerisation of TPDS. Recently the government has approved the phase-1 of the end-to-end computerization of TPDS Operations in the 12th Five Year Plan with an outlay of Rs. 884.07 crore on a cost sharing basis. But only a few States like Kerela and Chattisgarh have taken the initiative to computerize their PDS.

3.3 The Provisions of the National Food Security Act, 2013

The Food Security Act 2013 seeks “to provide for food and nutritional security in human life cycle approach, by ensuring access to adequate quantity of quality food at affordable prices to people to live a life with dignity and for matters connected therewith and incidental thereto”. The various provisions of this Act are as below:

3.3.1 Entitlements

Priority households are entitled to 5 kgs of food grains per person per month, and 2.43 crore ‘Antyodaya’ households to 35 kgs per household per month. The combined coverage of Priority and Antyodaya households (called —eligible households) shall extend “up to 75% of the rural population and up to 50% of the urban population”. In effect, the Act will cover around 810 million citizens. In effect, the Act does away category distinction of BPL and APL and all are entitled to 5 Kg grain per person per month. The PDS issue prices are given in Schedule I: Rs 3/2/1 for rice/wheat/coarse grains. These may be revised after three years.

a) Children’s Entitlements

For children in the age group of 6 months to 6 years, the Act guarantees an age appropriate meal, free of charge, through the local anganwadi. For children aged 6-14

years, one free midday meal shall be provided every day (except on school holidays) in all schools run by local bodies, government and government aided schools, up to Class VIII. For children under six months, "exclusive breastfeeding shall be promoted". Children who suffer from malnutrition will be identified through the local anganwadi and meals will be provided to them "free of charge through the local anganwadi".

b) Entitlements of Pregnant and Lactating Women

Every pregnant and lactating mother is entitled to a free meal at the local anganwadi (during pregnancy and six months after childbirth) as well as maternity benefits of Rs.6,000, in installments. The Act favors the "two-child norm" by denying maternal benefits to a pregnant woman beyond two live births.

3.3.2 Identification of Eligible Households

The Act does not specify criteria for the identification of households (Priority or Antyodaya) eligible for PDS entitlements. The Central Government is to determine the state-wise coverage of the PDS, in terms of proportion of the rural/urban population. Then numbers of eligible persons will be calculated from Census population figures. The identification of eligible households is left to state governments, subject to the scheme's guidelines for Antyodaya, and subject to guidelines "to be specified by the state government for Priority households". The lists of eligible households are to be placed in the public domain and "displayed prominently" by state governments.

3.3.3 Food Commissions

The Act provides for the creation of State Food Commissions. Each Commission shall consist of a chairperson, five other members and a member-secretary (including at least two women and one member each from Scheduled Castes and Scheduled Tribes). The main function of the State Commission is to monitor and evaluate the implementation of the Act, give advice to the state governments and their agencies, and inquire into violations of entitlements (either suo moto or on receipt of a complaint, and with "all the powers of a civil court while trying a suit under the Code of Civil Procedure 1908"). State Commissions also have to hear appeals against the orders of the District Grievance Redressal Officer and prepare annual reports to be laid before the state legislature. The State Commission may forward "any case to a Magistrate having

jurisdiction, who shall proceed as if the case has been forwarded under Section 346 of the Code of Criminal Procedure 1973”.

3.3.4 Transparency and Grievance Redressal

The Act provides for a two-tier grievance redressal structure, involving the District Grievance Redressal Officer (DGRO) and the State Food Commission. State governments must also put in place an internal grievance redressal mechanism which may include call centres, help lines, designation of nodal officers, “or such other mechanisms as may be prescribed”.

a) Transparency Provisions

Mandatory transparency provisions include:

- i. Placing all PDS-related records in the public domain and keeping them open for inspection to the public.
- ii. Conducting periodic social audits of the PDS and other welfare schemes.
- iii. Using information and communication technology (including end-to-end computerization of the PDS) “to ensure transparent recording of transactions at all levels”.
- iv. Setting up vigilance committees at state, district, block and fair price shop levels to supervise all schemes under the Act.

b) District Grievance Redressal Officers (DGROS)

DGROS shall be appointed by state governments for each district to hear complaints and take necessary action according to the norms to be prescribed by state governments. If a complainant (or the officer or authority against whom an order has been passed by the DGRO) is not satisfied, he or she may file an appeal before the State Food Commission.

c) Penalties and Compensation

The Food Commissions have powers to impose penalties. If an order of the DGRO is not complied with, the concerned authority or officer can be fined up to Rs. 5,000. The Commission can authorize any of its members to act as an adjudicating officer for this purpose. In case of non-supply of the entitled quantities of food grains or meals to entitled persons, such persons will be entitled to a food security allowance from the state government, as prescribed by the central government.

3.3.5 PDS Reforms

In Chapter VII, the Act states that central and state governments “shall endeavour to progressively undertake various PDS reforms”, including doorstep delivery of food grains; **ICT applications and end-to-end computerisation; leveraging —‘Aadhaar’ (UID) for unique identification of entitled beneficiaries; full transparency of records**; preference to public institutions or bodies in licensing of fair price shops; management of fair price shops by women or their collectives; diversification of commodities distributed under the PDS; full transparency of records; and introducing schemes such as cash transfer, food coupons or other schemes to the targeted beneficiaries in lieu of their foodgrain entitlements as prescribed by the central government.

3.4 Challenges Faced

There is lot of pilferage at every level and no foolproof central monitoring system is there. Other deficiencies of this system are:

- Multiple ration cards being issued under a single name
- Faulty system of issue and record keeping
- Pilferage - PDS foodgrains find way to market so do not reach the eligible/needly person
- No bio-matric identification for the users
- No central monitoring system to track the carriage trucks
- The delivery mechanism has no RFID (Radio Frequency Identification Device)

There is a need for foolproof monitoring system starting from central store to fair price shops covering transactions at all levels and transport. The National Food Security Act, 2013 provided for a period of one year after the commencement of the Act, i.e. upto 04.07.2014, for identification of eligible households for receiving subsidized foodgrains under Targeted Public Distribution System (TPDS). So far, 11 States/UTs viz., Haryana, Rajasthan, Delhi, Himachal Pradesh, Punjab, Karnataka, Chhattisgarh, Maharashtra, Chandigarh, Madhya Pradesh and Bihar have informed their readiness to implement the Act. Accordingly, foodgrains under the Act have been allotted to them. In remaining 25 States/UTs, allocation under existing TPDS is continuing. As identification of eligible

households had not been done and implementation of the Act was yet to start in these States/UTs on completion of one year period provided in the Act, time period for identification of eligible households and completion of other preparatory measure for implementation of the Act had to be extended first by three months and then again by six months i.e. upto first week of April, 2015. Level of preparedness in 25 States/UTs where the Act is yet to be implemented varies across States/UTs. Besides identification of eligible households to be covered, preparedness would also include necessary strengthening of TPDS so as to ensure effective and timely delivery of entitlements under the Act. Aspects which need focused attention of State Governments and UT Administration relate to beneficiary identification in a fair and transparent manner so as to avoid errors on inclusion and exclusion, delivery of foodgrains up to door-steps of fair price shops computerisation of TPDS operations, strengthening of the mechanism of Vigilance Committees at various levels and effective grievance redressal mechanism. Such reforms measures are crucial to ensure a leakage and diversion free PDS and also to ensure that no needy person is denied benefits.