# ONE NATION ONE RATION CARD: IMPACT ASSESSMENT IN RURAL INDIA

Dissertation submitted to the Panjab University, Chandigarh for the award of Degree of **Executive Masters in Public Administration and Public Policy**, in partial fulfillment of the requirement for the Advanced Professional Programme in Public Administration (2023-24)

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49th ADVANCED PROFESSIONAL PROGRAMME IN PUBLIC ADMINISTRATION (2023-24)

INDIAN INSTITUTE OF PUBLIC ADMINISTRATION
NEW DELHI

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2

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I have the pleasure to certify that **DIG I J Singh**, has pursued his research work

and prepared the present dissertation titled, 'One Nation One ration Card: Impact

Assessment In Rural Areas" under my guidance and supervision. The same is the result of

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part of any monograph, dissertation or book earlier. This is being submitted to the Panjab

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3

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4

# TABLE OF CONTENTS

<u>Chapter</u>	<u>Title</u>	<u>Pages</u>
	Certificates	2-3
	Acknowledgement	4
	Table of Contents	5-6
	List of Figures and Tables	7-8
	Executive Summary	9
Chapter 1	Introduction	13
1.1	Abstract	13
1.2	Background	14-19
1.3	Statement of the Problem	20
1.4	Rationale of the Study	21
Chapter 2	Literature Review	22-33
Chapter 3	Research objectives & Methodology	34
3.1	Research Strategy & Design	34
3.2	Objectives	35
3.3	Research Questions	35-36
3.4	Limitations & Scope	36-37
3.5	Focused Group Discussion	37
3.6	Research Methods & Data Source	37
3.7	Research Gap	38
Chapter 4	Impact of ONORC	39
4.1	Evaluation of the Scheme	39-45

<u>Chapter</u>	<u>Title</u>	<u>Pages</u>
4.2	Challenges in implementation	45-51
4.3	Impact Assessment	51-92
Chapter 5	Findings and Summary	93-112
5.1	Findings of Field Survey	95
5.2	Summary of the Research	96-112
Chapter 6	Conclusion & Recommendations	113
6.1	Recommendations	113-118
6.2	Conclusion	118
6.3	Way forward	119
	Bibliography	120-124
Annexure 1	Questionnaire for Beneficiaries	125
Annexure 2	Questionnaire for FPS Dealers	126
Annexure 3	Questionnaire for State PDS Official	s 127
Annexure 4	Questionnaire for Ministry Officials	128-129
Annexure 5	Frequently Asked Questions	130-134
	References	135-137

# **List of Figures and Tables**

Sl	Description	Page No
Figure 1	Illustration of ONORC statistics	20
Figure 2	Illustration of ONORC procedure in Tabular form	39
Figure 3.	FPS Ownership PAN India	40
Figure 4.	Year wise portability transactions	41
Figure 5.	Illustration of Integrated Management of Public Distribution System	51
Figure 6.	Percentage of Aadhaar Seeding year wise in Punjab	55
Figure 7.	FPS Ownership in Punjab	56
Figure 8.	Portability accessed by beneficiaries post ONORC in Punjab	56
Figure 9.	Transactions Post ONORC in Punjab	66
Figure 10	D. Percentage of Aadhaar Seeding year wise (Meghalaya)	80
Figure 11	.Ration availed by beneficiaries 2019-2024 (Meghalaya)	83
Figure 12	2. Responses by beneficiaries of Punjab indicating age groups	95
Figure 13	3. Responses by beneficiaries of Meghalaya indicating age groups	95
Figure 14	Responses indicating education levels In Punjab	96
Figure 15	5. Responses indicating education levels In Meghalaya	96

Figure 16. Responses by beneficiaries of Punjab indicating employment	97
Figure 17 Responses by beneficiaries of Meghalaya indicating employment	97
Figure 18. Responses by beneficiaries of Punjab indicating awareness level	98
Figure 19. Responses by beneficiaries of Meghalaya indicating awareness levels	98
Figure 20. Responses regarding possession of ONORC in Punjab	99
Figure 21. Responses regarding possession of ONORC in Meghalaya	99
Figure 22. Responses regarding portability usage in Punjab	100
Figure 23. Responses regarding portability usage in Meghalaya	100
Figure 24. Responses regarding satisfaction levels in Punjab	101
Figure 25. Responses regarding satisfaction levels in Meghalaya	102
Figure 26. Responses for factors for migration in Meghalaya	103
Figure 27. Responses for factors for migration in Punjab	104
Figure 28. Responses regarding availing Rations in Punjab	104
Figure 29. Responses regarding availing Rations in Meghalaya	105
Figure 30. Responses regarding ease of operating in Punjab	106
Figure 31. Responses regarding ease of operating in Meghalaya	106
Figure 32. Responses regarding mode of Identification In Punjab	107
Figure 33. Responses regarding mode of Identification In Meghalava	107

# "समानी व आकूति: समाना हृदयानि व:। समानमस्तु वो मनो यथा व: सुसहासित॥"

("May your intentions be harmonious, may your hearts beat as one, and may your minds be united for a common purpose.")

"Rig Veda"

### **Executive Summary**

A technology driven system for intra-State and inter-State portability of ration cards, commonly known as the 'One Nation One Ration Card' (ONORC) plan, was introduced by the Government of India in the year 2019, with an aim to address the difficulties of migrants, especially the portability of ration cards. The ONORC scheme is a transformative initiative by the Indian government to ensure inclusivity, food security and support migrant workers across the country regardless of their location. Implemented under the National Food Security Act (NFSA), the scheme enables nationwide portability of ration cards, allowing beneficiaries under the NFSA to access their food grain entitlements from any Fair Price Shop (FPS) in India.

The One Nation One Ration Card reform has its genesis in the vision that the computerisation of Targeted Public Distribution System (TPDS) in the country must be taken to the next level in ensuring food security in the country. This technology driven system of portability was planned to be implemented PAN India across all States and Union Territories. The system was built upon computerised TPDS operations comprising of the ePOS devices and the seeding of Ration cards of the entitled citizens with their Aadhaar numbers. The Objective of the scheme was to facilitate nationwide portability of ration cards, allowing beneficiaries to access their entitlements from any FPS across the country. The scheme involves the integration of state-level PDS systems with a central system through Aadhaar seeding and ePoS (Electronic Point of Sale) devices at FPSs. With the implementation of the scheme, the Migrant workers and their families now can draw their entitled rations from anywhere in India from any ePoS-enabled FPS in the country. This portability is particularly beneficial for those who move to different states for work. The

scheme also enables the family members of the person who remains at their hometown to draw the balance rations for the nearby FPS.

All eligible ration card holders or beneficiaries covered under NFSA are entitled to the benefits of the ONORC scheme. The entitled persons can quote either their Aadhaar number or ration card number at any FPS dealer across the country. Aadhaar authentication can be done using fingerprints or iris-based identification<sup>1</sup>.

No additional documents are required, only Ration Card and Aadhaar Card (seeded with Ration Card) is required to be produced at the FPS. As of the latest updates, all 36 states and union territories have implemented the ONORC scheme, making food security portable throughout the country.

The ONORC scheme is an endeavour of the government for ensuring food security for all, especially migrant workers who often face challenges in accessing subsidized food grains due to relocation. The scheme also offers the flexibility for the entitled persons to choose their own dealer, which helps in cases of misallocation or other issues with FPS dealers. This initiative also provides leverage to States/UTs to serve many more beneficiaries, without actually incurring any additional burden.

Furthermore, the scheme will thereby reduce the pilferage of the rations which have not been taken by the entitled persons, as the unclaimed rations can now be taken by the entitled persons through portability. Owing to the ONORC scheme the rations automatically get reconciled between States/UTs, thereby minimizing the chances of pilferage of the unlifted rations. Besides serving migrants, this system provides flexibility to all NFSA beneficiaries to lift their foodgrains from any FPS of choice. Thus, it potentially reduces the whims and fancies of FPS dealers and encourages a sense of healthy competition among them to better serve the beneficiaries. With implementation of the ONORC scheme the beneficiaries are not required to surrender & re-apply new ration card and to register for portability. Further, there is no cumbersome paper-work for applying a new ration and waiting 5-6 months for completion of the process. The scheme facilitates seamless access to food grains for migrant workers and their families empowering the beneficiaries with their

choice to select their FPS dealer thereby enhancing the transparency and preventing duplicacy of Ration cards and pilferage of the rations.

The most significant achievement of the One Nation One Ration Card (ONORC) is that, this initiative is completely indigenous with the technical support of National Informatics Centre (NIC). The reform of portability covering nearly 80 Crore NFSA beneficiaries in all States/UTs was achieved with a minimal outlay of just Rs. 127 Crore, in a short span of 4 years. The scheme also had few challenges which included the availability and reliability of technological infrastructure, protecting the privacy and security of beneficiaries' data, effective cooperation and coordination between states, exclusion errors, ensuring last mile connectivity and overcoming the lack of awareness of the scheme in Rural India. The impact assessment study undertaken for the sample states of **Punjab and Meghalaya** reflect a high percentage of Aadhaar seeding since implementation of the scheme, with Punjab at **99.98 percent** and Meghalaya at **70.08 percent**. There is a steady increase in the portability uptake by beneficiaries while moving within and outside the state. With regard to the awareness of the ONORC scheme, the respective state governments have initiated frequent awareness campaigns.

The increase was evident during the field survey which indicated 85 percent awareness in Punjab and 60 percent in Meghalaya. Further 100 percent beneficiaries have ONORC in Punjab, however the figure is 85 percent in Meghalaya, with 65 percent having ONORC and 20 percent have simple unseeded ration cards and balance 15 percent don't have any ration card. There is a significant increase in the satisfaction levels of beneficiaries with Punjab at 85 and Meghalaya at 70 percent. In the extant study few policy recommendations have also been suggested for ensuring the effectiveness of the scheme included further enhancing Awareness and Outreach, Addressing the issue of Exclusion Error, Improving Digital and civil Infrastructure and ensuring last mile connectivity. Further a Mobile Application "MERA RATION" (भेरा राशन) has also been designed for the benefit of NFSA beneficiaries<sup>2</sup>.

The ONORC scheme represents a significant step towards realizing the 'Right to Food' for every citizen, particularly the migrant population, by leveraging technology and innovation.

# **Chapter 1**

### Introduction

# अन्नाद्भवन्ति भूतानि पर्जन्यादन्नसम्भवः। यज्ञाद्भवति पर्जन्यो यज्ञः कर्मसमुद्भवः॥

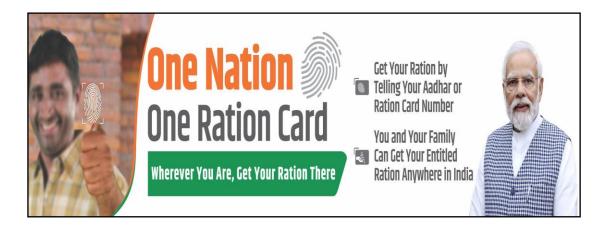
("All beings are born from food, food is produced by rain, rain comes from sacrifice, and sacrifice is performed by action.")

### "The Bhagvad Gita"

"The country is moving towards the institution of One Nation One Ration Card which will be of immense benefit to the poor who travel to other states in search of work. The government will continue to take further steps to empower the poor and the needy. We pledge to work towards 'Atmanirbhar Bharat' and enhance economic activities with due precautions

in place."

#### Honorable Prime Minister Narendra Modi



#### 1.1 Abstract

The "One Nation One Ration Card" (ONORC) scheme, a visionary initiative by the Government of India, was introduced in 2019 for ensuring inclusivity, welfare and food security for all beneficiaries covered under the National Food Security Act, 2013 (NFSA) across state boundaries by leveraging technology and implementation of IT-driven systems in modernizing the Public Distribution System (PDS). This has not only enabled the benefits of the scheme in reaching its rightful recipients, but also ensured prevention of pilferages, duplication of ration cards and diversion of the food grains and has also enabled the

beneficiaries to lift the entitled foodgrains from any ePoS enabled Fair Price Shop (FPS) anywhere in the country without the need of getting new ration card, through 'One Nation One Ration Card' system. This dissertation delves into the challenges faced in implementing the ONORC scheme in rural areas of India. It scrutinizes the concept, rationale, impact, and identifies the unique challenges of rural implementation. Additionally, it offers policy implications and recommendations for enhancing the ONORC scheme's effectiveness in rural India.

### 1.2 Background

The One Nation One Ration Card (ONORC) scheme, under the National Food Security Act (NFSA), launched in 2019 is a noteworthy and transformative scheme for ensuring food security, addressing the long-standing issues within the PDS, including leakage, and exclusion errors. The NFSA covers up to 75 percent of the rural population and 50 percent of the urban population under Antyodaya Anna Yojana (AAY) and priority households. The AAY households, which constitute the poorest of the poor, are entitled to 35 kg of food grains per family per month and priority households are entitled to 5 kg per person per month. While the scheme holds immense promise, its effective implementation in rural areas presents a distinct set of challenges.

This ambitious program intends to streamline the public distribution system (PDS) and facilitate seamless access to subsidized food grains for eligible beneficiaries across the country. The ONORC scheme aims at nationwide portability of ration cards by integrating various state-level ration cards into a single unified platform. Through this all eligible ration card holders/beneficiaries covered under NFSA can access their entitlements from anywhere in the country, from any Fair Price Shop (FPS) in any part of India, regardless of their location or state of origin, thereby eliminating bureaucratic hurdles and empowering individuals. The ONORC scheme is a transformative initiative that makes it a game-changer in India's pursuit of **inclusive welfare and food security**. The "One Nation One Ration Card" (ONORC) initiative represents a transformative step in India's public distribution system, aiming to ensure food security for its citizens, particularly the migrant population.

Launched by the Department of Food and Public Distribution, Government of India, ONORC seeks to enable nationwide portability of ration cards, allowing beneficiaries to access their entitled food grains from any fair price shop across the country.

This scheme is not only a testament to the government's commitment to leveraging technology for social welfare but also addresses the long-standing issue of food accessibility for migrants. The traditional Public Distribution System (PDS) in India, a government-run program that aimed to distribute essential food items to the country's economically vulnerable populations at subsidized rates, has faced several limitations: Few of the limitations are as follows:

- Identification of the Poor: The state's identification of the poor was not foolproof.

  A large number of poor and vulnerable people used to get excluded, and a large number of fake cards were also released.
- Quality of Food Grains: The government ration shops often used to supply poor quality food grains, so people did not prefer to buy from them.
- Diversion of Food Grains: There is a diversion of subsidized food grains to the open market. The owner of Fair Price Shop obtains forged ration cards and sells food grains in the open market.
- **Service of Ration Shops**: The service of the ration shops is poor and most of them remain closed.
- Lack of Transparency: The selection procedure of PDS dealers was not transparent.
- **Prevalence of Ghost Cards**: Ghost cards, or fake ration cards, are prevalent in the system<sup>3</sup>.

Despite these limitations, the PDS played an important role in ensuring food security for millions of Indians. Thus the government considered it of utmost importance to modernize the PDS and remove the disparities. The government launched "Integrated Management of Public Distribution System (IM-PDS)" in 2018 for overcoming the limitations of the traditional PDS, which was planned to be fully funded by the Central

Government. The total cost of the scheme was Rs.127.30 crore. The objectives of the IMPDS scheme are as under:

- Implementation of nation-wide portability in food grains distribution.
- Implementation of national level data repository for de-duplication of beneficiary/ration cards data.
- Integration of States/UTs PDS systems/applications with Central PDS systems/applications and creation of integrated data infrastructure/systems across ration card management, allocation, supply chain of foodgrains, FPS automation.
- Employment of advanced data analytics techniques on centralized databases to bring about continuous improvements in PDS operations.
- Develop advanced web and mobile based applications to introduce user-friendly PDS operations.
- Improvement of the quality of implementation by introducing data security and information standards/benchmarks
  - Facilitation of cross-learning and sharing of best practices among States/UTs

### **Key Components of the IMPDS Scheme:**

Fragmented systems and non-uniform implementation of PDS modules across States/UTs posed a challenge in introducing National Level Portability, National Level de duplication of ration cards and a comprehensive Management Information System (MIS). Public Distribution System Network (PDSN) was thus envisaged as back-end platform for integration of the disparate databases without impinging on the States' domain of responsibilities. Its main features include:

(a) Creation of Central Data Repository It was considered a primary and the most important requirement for achieving national level portability, national level de-duplication and national level Dashboard/MIS system. It was envisaged that Central repository will keep master reference data and beneficiary level FPS transaction data. For this purpose, high end servers and storage capacity would be provisioned at NIC cloud to store the ration card data of beneficiaries and PoS transaction details of ration card holders. This repository would be utilized as an information database and this data would be analysed by the central team.

- (b) **Integration with States & UTs**: The PDS applications of States/UTs were deployed either in NIC Cloud or State Data Centre. These application were developed and deployed in such a way that data exchange / inter linkages among them were limited or non-existent. This bottleneck was addressed by establishing linkage with State Data Centre and periodic retrieval of information through Web Services.
- (c) **Real time data synchronization with States & UTs**: After creation of Central Repository and integration with States/UTs, data synchronization with States was planned. An agreement with States /UTs to make the data available on staging system in the agreed frequency.
- (d) Robust communication with States & UTs: There was a strong need to have robust communication to broadcast and get quick response from States/UTs on progress of various Key Performance Indicators. However there was no common platform available with Department of Food and Public Distribution Gol that allowed direct communication with States/UTs. A platform was designed which will enable Department of Food & Public Distribution (DFPD), States/UTs and other stakeholders to exchange information for various purposes. This platform would also be very useful for implementing portability at the national level.
- (e) Implementation of National Portability Mechanism at Central level: A key activity under the scheme was creation of a platform to facilitate national level portability for ensuring food security to the NFSA beneficiaries all year round, such that NFSA beneficiaries can avail their entitlements from any of the states during short term migration without the process of surrendering and reissue of the ration cards, since existing application architecture and hardware deployment model across States/UTs may not support vision of National Portability. For ensuring the National Level Portability, DFPD created a data repository at national level and also developed state-of-the-art solution which would enable States/UTs to handshake and transmit foodgrains allotment/lifting information across other States/UTs.
- (f) Creation of national facility for de-duplication of Aadhaar numbers seeded in ration card database: The scheme End-To-End computerization enabled states to .perform online management of beneficiaries' data and seed the Aadhaar number against each individual. In order to ensure that same Aadhaar number is not seeded against more than one beneficiary in the ration card database anywhere at national level and to enable States/UTs to check the

uniqueness and eligibility of applicants before issuing new ration card, Aadhaar based deduplication, national level de-duplication was run on central repository of Ration cards/ PDS beneficiaries. Identified de-duplicated data would be shared with the States/UTs for further necessary action at their end.

- (g) Advance level data analysis and MIS Report generation: In order to improve reliability/quality and maintain the accuracy of the central repository and state ration card database, advance data analytics was carried out to highlight inaccuracies in the data. MIS reports generated based on gap analysis of NFSA beneficiary data using advance data analytic techniques to support the State government for monitoring and improving the quality of beneficiary data.
- (h) **Developing Advanced Web and Mobile Based Applications**: Advanced web and mobile based applications were developed to enable the stake holders to view the PDS systems created under computerization schemes.

The ONORC scheme, therefore, emerges as a crucial intervention, especially in the context of rural areas where migration for employment is common. By ensuring that individuals and families can claim their share of food grains regardless of their location, ONORC has the potential to significantly reduce food insecurity among rural migrants. The "One Nation One Ration Card" (ONORC) scheme is a landmark reform in India's PDS, aimed at ensuring food security for all beneficiaries under the National Food Security Act (NFSA), irrespective of their physical location.

The ONORC scheme leverages technology to enable nationwide portability of ration cards. The implementation of IT-driven systems, such as the installation of electronic Point of Sale (ePoS) devices at Fair Price Shops (FPSs), has been crucial<sup>1</sup>. Beneficiaries can authenticate their identity using biometrics linked to their Aadhaar numbers, allowing them to access their food entitlements from any FPS across the country. This technological integration has significantly improved the efficiency and transparency of the PDS.

A key aspect of the ONORC scheme is the de-duplication of ration cards. By linking ration cards with Aadhaar numbers, the scheme ensures that a person does not appear as a beneficiary in multiple states. This has helped reduce leakages and corruption within the system, ensuring that the benefits reach the intended recipients. The ONORC scheme has streamlined the logistics of food distribution. With the portability feature, beneficiaries can

claim their food grains from any FPS, reducing the dependency on a single shop and minimizing the chances of un-lifted food grains getting diverted. This flexibility has also allowed for better management and reconciliation of food grain stocks between states and union territories.

The ONORC scheme has been effective in preventing the diversion of food grains. The use of biometric authentication and ePoS devices ensure that only rightful beneficiaries can lift their food grains, thereby plugging leakages and minimizing the diversion of food grains. The scheme leverages the existing Aadhaar-based Direct Benefit Transfer (DBT) system, making its implementation cost-effective and relatively straightforward. With most beneficiaries already linked to Aadhaar, the process of Aadhaar seeding with ration cards becomes more efficient.

Thus the ONORC scheme has ensured the rightful allocation of food grains to beneficiaries. With nearly **99.8 percent** of ration cards seeded with Aadhaar, the scheme has enabled transparent transactions and ensured food security for around **80 crore** beneficiaries in the country. The portability feature empowers beneficiaries to access their food grains from any FPS, thus upholding their right to food security. The ONORC scheme represents a significant step towards a more efficient, transparent, and beneficiary-centric PDS in India. The technology-driven approach has addressed many of the traditional system's challenges, ensuring that food security is a reality for all eligible citizens, regardless of their location or migratory status. It has also given the beneficiaries the opportunity to choose their own dealer if there is any case of foul play. Further, Commencement of a dedicated toll-free number **14445** for ONORC operations has also assisted the beneficiaries in addressing their issues<sup>4</sup>.

The scheme's success in preventing the diversion of food grains and ensuring rightful allocation to beneficiaries is a critical area of study. As we delve deeper into the impact assessment of ONORC in rural regions, this dissertation explores the scheme's operational challenges, its reception among the rural populace, and the tangible changes it has brought about in the lives of millions of Indians.

POS ENABLED FAIR
PRICE SHOP
4.88 Lakhs

RATION
CARDS
19.85 Crores

AAY FAMILIES
2.5 Crores

BENEFICIARIES
71.15 Crores

AAY
BENEFICIARIES
8.95 Crores

Figure 1. Illustration of ONORC Statistics

**Source: DFPD** 

### 1.3 Statement of the Problem

The ONORC scheme is a flagship initiative of the Government for ensuring food security and portability of ration cards for the poor and migrant workers across the country. However, the scheme faces several challenges in its implementation, especially in rural areas, where the majority of the beneficiaries reside. Some of these challenges in rural areas included lack of awareness and demand among the beneficiaries, inadequate infrastructure and connectivity of fair price shops, poor quality and quantity of food grains supplied.

**Technological Infrastructure**: One of the main hurdles is the availability and reliability of technological infrastructure, in far flung areas. For ensuring the success of ONORC, the government must invest in robust digital infrastructure and internet connectivity.

Data Privacy and Security: With the digitalization of the PDS system,

protecting the privacy and security of beneficiaries' data becomes paramount. The government must put in place stringent measures to safeguard personal information and prevent any misuse.

**Cooperation between States**: Effective cooperation and coordination

between states is of paramount importance for the success of the ONORC initiative. State governments must collaborate to ensure that data is shared accurately and in real-time to avoid duplication or exclusion of beneficiaries.

**Exclusion Error**: A rise of exclusion errors in post-Aadhaar seeding has been observed as many sections of society still donot have Aadhar Cards, thereby depriving them of food security.

**Disrupting Supplies at FPS**: A Fair Price Shop (FPS) receives the monthly quota of products strictly as per the number of people assigned to it. The ONORC, when fully operational, is likely to effect the supply of products, as some FPSs may have to cater to more numbers of cards even as others cater to less, owing to migration of people. This dissertation investigates these challenges comprehensively, aiming to shed light on their complexities.

#### 1.4 Rationale

The rationale behind choosing this topic which is an ambitious project of the government, is because of its of mammoth scale covering the entire country and that it is a very noble initiative catering to one of the most neglected sections of our society. The one of its kind IT driven project enables distribution of food grains through nationwide portability of ration cards. The prerequisites include installation and operationalisation of ePoS devices which can be biometrically authenticated and seeding of Ration cards with Aadhaar number. The aim of the exercise was to empower all NFSA(National Food Securities Act) beneficiaries to become Atma Nirbhar for their food security anywhere in the country, through portability of their existing ration cards.

However, it is the implementation part which is challenging, especially in the Rural India. One of the main hurdles is the availability and reliability of technological infrastructure, especially in rural and remote areas. Another challenge is the exclusion error, which is a consequence of non seeding and non availability of Aadhaar cards in respect of many entitled persons which results in their not being able to get the benefit of the scheme. Few other challenges which required to be addressed for efficient implementation and ensuring last mile connectivity is ensuring data privacy, overcoming the lack of awareness of the scheme in Rural India and effective cooperation between states.

# युक्ति युक्तं प्रगृह्णीयात् बालादिप विचक्षणः। रवेरविषयं वस्तु किं न दीपः प्रकाशयेत्॥

"The wise should learn to accept wisdom from anybody, even from a child. Doesn't the small night lamp light up things which the sun can not?"

### Chapter 2

### **Literature Review**

The ration card system in India was introduced during the Second World War in 1945, as a measure to cope with the food scarcity and rationing caused by the Bengal famine of 1943. The system commenced operating in its current form in June 1947, after India's independence, for distributing basic ration items to the poor at subsidized rates through an established mechanism of shops called as Fair Price Shops (FPS) under the system of public distribution which was named as the Public Distribution System (PDS). However with the passage of time and the change in the dynamics of the country, the scheme required a complete makeover to be able it to deliver the desired objective. Consequently in 2019 a new scheme in tune with the necessities of the present times and doing away with the shortcomings of the earstwhile PDS was launched and named as One Nation One Ration Card . It was launched under the aegis of National Food Security Act(NFSA) and was aimed at ensuring food security, by streamlining the public distribution system (PDS) and facilitating seamless access to rations for eligible beneficiaries PAN India at subsidized rates. Under the new system the central and state governments jointly operate the PDS. The respective state government is responsible for identifying the entitled persons and ensuring distribution and the central government is responsible for procuring and allocating the commodities.

The aim of the ONORC scheme is the portability of the ration card PAN India by integrating various state-level ration cards into a single unified platform. Through this all eligible ration card holders will be able to draw their authorized rations from any FPS in India, regardless of their location or state of origin. Prior to the commencement of ONORC, the beneficiaries could get their entitlement only at a FPS where they were registered. It was

designed specially to benefit migrant households, both within and outside the state, enabling them to avail their entitlement on the

move. The scheme for the first time also offered the beneficiaries a choice in availing their rations, whether they were migrating or at home. The PDS aims to provide food security and welfare to millions of people, especially for the beneficiaries residing in areas where the location is distant and the terrain and weather are inhospitable and tough.

- The Ministry of Consumer Affairs, Food and Public Distribution in its press release on 31 Aug 19 through the Press Information Bureau, quoted the Hon'ble Prime Minister of India, Quote "With the help of One Nation-One Ration Card, we have ensured free ration to more than 80 crore countrymen. This is the wonder of technology" Unquote. It further said that the scheme is technology-driven which is being implemented for the nationwide portability of ration cards to address the difficulties of migrants. This system for intra-State and inter-State portability of ration cards was launched by the Government of India on August 09, 2019. The release further elucidating on the genesis and advantages of the scheme added that the digitization of the distribution system in the country must be taken to the next level in ensuring food security in the country. This system also enables the entitled persons who have moved out of their home towns to access their entitled rations from the Fair Price Shop of their choice PAN India by verifying biometrics on an ePoS device. This initiative also provides leverage to States/UTs to serve many more beneficiaries, without actually incurring any additional burden. Furthermore, this mechanism also prevents any unauthorized transshipment or pilferage of the rations.
- Dalberg, Kantar, and Omidyar Network India in their collaborated study identified the successes and gaps of the ONORC scheme. Their study focused on five states ie Andhra Pradesh, Karnataka, Rajasthan, Uttar Pradesh, and Jharkhand as at the time of publishing the report these states were at different points in their ONORC roll out. These states also had significant inter and intra state migrant populations. The study also included whether the non-migrant beneficiaries were also exercising the choice now being offered. They say that though there is a widespread knowledge of ONORC in the rural and urban areas, however there were barriers in accessing the scheme. Many entitled persons were unable to access the scheme primarily due to a mismatch in ID-related documentation. Those beneficiaries who

wanted to update their ration card (for instance, to add new members or amend certain details) felt overwhelmed by the procedure or were unable to compile all the required documents.

Identifying more gaps in the implementation of the scheme the report on "Fulfilling the promise of ONORC" further says that though the uptake of portability has grown, but transaction failures and stock depletion persists. It further says that few vulnerable sections of the society like the separated or divorced women, extremely poor sections or low income households who did not have a Aadhaar or ration card due to want of documents were not able to access the scheme. In light of the findings, the report provides few suggestions for enhancing the uptake of the ONORC scheme:

### **Increase in awareness**

Beneficiaries need to be made informed about the portability mechanism through their preferred channels, which include PDS dealers and news media. High-priority groups such as migrant construction workers and marginalised women should especially be targeted through focused awareness campaigns. Moreover, PDS dealers need to be informed that beneficiaries can avail inter-state portability as well. Raising awareness can greatly benefit the estimated 8,80,000 households that are unaware of the initiative.

### Portability improvements for beneficiaries

The technology present at FPS must be upgraded in order to facilitate better connectivity, which will minimise the risk of connectivity-induced transaction failures. Additionally, clear exception-handling mechanisms should be established for instances where authentication failures occur. State governments can potentially develop rules for providing rations to customers when poor connectivity or authentication errors impede the process. These rules should then be communicated to PDS dealers and beneficiaries, so that the involved parties know the process that needs to be followed in cases of transaction failures. Lastly, ensuring the issuance, updation, and seeding of the ration cards of beneficiaries, especially those from vulnerable groups, is essential. This can be achieved through seeding camps and targeted seeding drives at FPS, particularly in areas having largest gaps. The updating or correcting ration cards must be simplified as well; this is especially required for vulnerable women, who incur a significant and complicated documentation burden.

### Portability improvements for PDS dealers

Enabling flexible stock requisition for PDS dealers when they run low will enable them to meet the fluctuating demand. Andhra Pradesh has already implemented such a requisition model, which other states can potentially learn from. Moreover, the use of data analytics to detect patterns and shifts in portability uptake can improve demand planning and predict demand more accurately. As a result, the procurement, allocation, storage, and distribution of rations can be managed more effectively. These measures can reduce PDS dealers' fear of stock-outs, which is currently a significant deterrent to them providing their services to customers.

- Derrek Xavier, Editor analyst at IDR, in his article in the TOI also addresses the gaps of the One Nation One Ration Card scheme and has also come up with few recommendations for efficient implementation. He says that more than eight lakh people could benefit from the scheme however there are gaps which persist in the implementation of the scheme and which need to be addressed. He also states that a robust, quantitative understanding of the frontline experience which consists of both beneficiaries and PDS dealers is missing. He feels that the main reason for less uptake on the scheme is due to the lack of awareness about the scheme especially in the rural India. He recommends that beneficiaries need to be made aware of the availability of portability through their preferred channels, which include PDS dealers and news media. He also recommends Portability improvements for beneficiaries upgradation of technology present at FPS in order to facilitate better connectivity, which will minimise the risk of connectivity-induced transaction failures.
- Examining the effectiveness of One Nation One Ration Card Scheme, Vamakshi of IIT Mumbai in her research paper with Munich Personal RePEc Archive (MPRA) highlights the ground level ineffectiveness of the scheme among the migrant workers. It includes discussion on the possible reasons responsible for the ineffectiveness of the scheme with special focus on the soft factors i.e. mindset of the targeted group. The paper aims to see how the ONORC scheme's effectiveness can be improved. She says that an interesting revelation came from the Gujarat field study, that most migrants do not bring their ration cards to cities because they are afraid that their ration card will be lost. Given, that they don't have much security in the slum area and there are difficulties in obtaining a new ration

card, the fear is justifiable. They trust their village and have no trust in city people. The non carriage of the ration cards to the cities or outside their place of residence leads to underutilization of the ONORC scheme. The findings are in direct contrast to the policy objective. The paper also suggests few recommendation for improving the last mile delivery and making the programme effective.

In her working paper, **Jessica Hagen-Zanker** of Maastricht Graduate School of Governance conducted a comprehensive analysis of economic migration theories from the 1950s to the present, highlighting their evolution and interconnections. "She discusses the New Economics of Labour Migration (NELM), which posits that migration decisions are typically made collectively by families to enhance overall welfare. Unlike other theories, NELM, pioneered by Oded Stark and colleagues in the 1980s, uniquely associates migration choices with their outcomes, particularly through remittances. It suggests that families aim to optimize combined income, social standing, and risk reduction, influencing their migration choices". This theory builds on earlier dual-economy models by Lewis, which attribute migration to labor supply and demand disparities between rural and urban areas.

Hagen-Zanker concludes that migration is a dynamic process that should be examined over time rather than at a single point. She emphasizes that NELM underscores the interconnected nature of migration's causes and effects. The theory of cumulative causation indicates that migration patterns and the characteristics of migrants evolve with the migration cycle, with current migrants potentially shaping the economic landscape of their home countries. She asserts that the ongoing dynamics of migration ensure that it remains a vibrant and pertinent subject for future study.

• A Mahendran, S Indrakant in his article "One Nation One Ration Card: Good intention but implementation may be difficult" in Down to earth, a fortnightly magazine focused on politics of environment and development, published by the Centre for Science and Environment, says that many welfare schemes are designed with good intentions but encounter many expected and unexpected hurdles at the time of their implementation. Citing an example to amplify his argument he says that suppose, in a vast country like India, each state has its own traffic rules. Some states follow the rule of 'keep to the left' while others follow 'keep to the right'. A driver will have to switch to the local rule, the moment he

enters another State. This is difficult for practical purposes and can lead to accidents, which could be avoided when all the states in the country follow broadly uniform traffic rules. Perhaps this line of thinking may have motivated the Union government to come up with the idea of ONORC.

He further says that due to historical, political and varying consumption habits, PDS across the country varies with respect to the items supplied through fair price shops to the below-poverty-line (BPL) card-holders. Even the quantity and the price of items supplied varies from state to state. Most states provide rice and wheat. However, Maharashtra supplies only wheat to the BPL families while Andhra Pradesh provides only rice. In regard to the quantity, it is observed that in Tamil Nadu, a BPL family gets 20 kilograms of rice, while in Karnataka a BPL household receives 5 kg of rice per member. Moreover, the latter is also given ragi / jowar.In Tamil Nadu, 20 kg rice is given free of cost while in Uttar Pradesh and Bihar, it is provided at Rs 3 per kg. The price of rice and wheat in most states is Rs 2-3 per Kg. BPL households in a few states like Himachal Pradesh and Chhattisgarh are also given pulses.

It is necessary to have clarity on the items received by a migrant labourer from fair price shops. If they are given the items supplied in the migrated state then it may not be to their liking. A labourer from Andhra Pradesh, who has moved to Maharashtra, may not be interested if he is given only wheat. Similarly, if a worker migrates from Karnataka to Tamil Nadu then he may not be able to get ragi / jowar. Elaborate logistics will have to be worked out if the migrant population is assured it will be provided with the items supplied in his native state. He concludes by saying that, the success of the scheme will greatly depend on the extent of seriousness of all implementing agencies.

• S. Sunitha & Dr S. Sudha of the VELS University, in their article, "India's Initiative: One Nation One Ration" in the Dogo Rangsang Research Journal explain about the system of the PDS which existed in the post independence era and challenges which were faced by the traditional PDS. Narrating the genesis of the ONORC scheme launched by the GOI they explained that the main aim of the GOI was to fight hunger as it was considered to be the biggest challenge in the immediate post independence era. They further say that though India had a rationing system which was introduced by the British during the World War II, It was not completely helpful. Later in 1947, The Government of India

established a food security system, to distribute essential goods and services to poor people for their survival. The key commodities circulated consisted of staple food grains and pulses, such as wheat, rice, sugar, dal and essential fuels like kerosene, through a network of fair price shops. These Fair price shops which were also called ration shops, were established across various villages, cities and states to reach maximum household and were maintained and monitored by Food Corporation of India. Under this facility the Ration Card is generated for Households and issued as a Government document, which make them eligible to purchase essential foods at a substantial rate. The authors further explain that the National Food Security Act, 2013 was passed by the government to provide subsidized food grains to approximately two-thirds of India's 1.2 billion people. They further say that mainly two types of ration cards issued based on the Households eligibility, which included

Priority Ration Card which ensures the entitled household gets 5 kilograms of food grain per member per month. The second was the Antyodaya (AAY) where 35 kilograms of food grain were issued only to "poorest of poor" households, per month.

In order to have an analysis on the usage of the scheme by the beneficiaries they have collected the data from the launch of the scheme in May 2020 till 21 July

2020 and compared the growth and trend of the scheme and have noticed 59 percent increase in the subscription of the ration card and a 50 percent increase in the interstate usage of ration card. Finally to conclude they say that the linking of Aadhar card now acts as a silver lining by baking up all the digitization from Direct Beneficiary Transfers to Biometric Evaluations. Appreciating the scheme, they also say that this scheme is a direct measure to boost the economy of India by curbing the social evils like corruption, black marketing, and mainly poverty.

• Priya Mishra, in her paper in Research Gate titled, "Status, Prospects and Challenges faced by Internal Migrants in India- Need for Social Inclusion" talks about the status and prospects of internal migrants in India, their contribution to the society and the need for social inclusion. She says that internal migrants constitute 30 percent of the total population of our country. Despite this significant number, they are excluded from the economic and social aspects of the society.

This paper argues that the integration of this 'floating' population, into mainstream benefits and practical policy formation to respect their basic human rights, is of utmost importance. It underscores the appalling conditions that the internal migrants have to live in, in order to earn remuneration for their families. The migrants are also the first to bear the repercussions of any disaster outbreaks. The uneducated and unskilled migrants reside in unhygienic situations and work at unsafe places. They do the 3-D jobs i.e. Dirty, Dangerous and Degrading however they alone, contribute 10 percent to the country's GDP. This article delves into the challenges faced by the internal migrants which includes ill treatment and social exploitation. She further says that social inclusion is also a big issue as this community is generally left out in most of the schemes and fail to receive the attention and priority of the Government of India. Due to high poverty rate in rural India, migrants generally relocate themselves along with their wives and children, to earn additional income. The children of temporary, seasonal and circular migrants grow up to be unskilled and the pattern of life continues. They start working as child laborers, so as to support their family's financial needs, at construction and manufacturing sites even after the mandating of Child Labor Act, 1986 and its strict punishments. Flexible provisions need to be adopted in schemes such as Sarva Shiksha Abhiyan in order to improve student retention. It is further recommended that social inclusion of migrants should be a top priority concern for the government.

• In a May 14, 2020, Indian Express article titled "What is One Nation One Ration Card?" the author explains the benefits of the ONORC scheme by stating that, as part of its "One Nation, One Ration Card" initiative, the government had started a pilot project for the inter-state portability of ration cards between Telangana and Andhra Pradesh and between Maharashtra and Gujarat. Given that ration cards are issued by state governments, this meant that recipients may only purchase food grains from ration stores that are specifically authorized by the state in question. Should a beneficiary relocate to a different state, they would have to reapply for a ration card in the new state. There were further complexities, for example, upon marriage, a lady had to have her name added to her husband's family's ration card and removed from the one granted to her parents. The ONORC program, according to the report, aims to close this delivery gap in the Targeted Public Delivery System (TPDS). The program was essentially designed with our nation's internal migration in mind, as

individuals continue to relocate within states in pursuit of improved employment prospects and increased living standards. According to the data provided in the article, 4.1 crore people moved across state lines, while 1.4 crore people moved both inside and between states in search of work.

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• In a study by the Asian Development Bank in Nov 2023 under the title "Uptake, Implementation, Portability, and Operability of the One Nation One Ration Card" by Kanupriya Gupta, Parul Soni, Krishna Rautela and K.Srinivas explains about the genesis, the broad outlook and the impact of the scheme and recommends few suggestion for more effectiveness of the scheme. Explaining about the scheme they say that the One Nation One Ration Card (ONORC) scheme allows interstate, interdistrict, and intradistrict domestic migrant workers to access subsidized food grain entitlements at any electronic point of salesenabled fair price shop (FPS) irrespective of place of domicile. They further say that majority of migrants were aware of the scheme and many beneficiaries (in particular intraand inter district migrants) were utilizing it. The rations were available and were perceived to be timely and of adequate quality, and the scheme was leading to reduction in food expenses of vulnerable migrant households.

The authors further say that the Asian Development Bank (ADB), under its COVID-19 Active Response and Expenditure Support (CARES) program in April 2020, extended \$1.5 billion in assistance to the Pradhan Mantri Garib Kalyan Yojana (PMGKY), Government of India's \$23 billion pro-poor scheme. For the pandemic period, the PMGKY enabled free food and cooking gas distribution to low income and vulnerable populations, including women. A technical assistance (TA) attached to the CARES loan was also extended to develop the operational framework and strengthen the efficiency in targeting, delivery, and monitoring and evaluation of select PMGKY schemes, including ONORC, for not just existing but also new pandemic-affected beneficiaries.

The report recommended few suggestions for improvement which included-

(a) Dealer awareness regarding the provision in the ONORC for procuring food grains in advance (to compensate for potential shortfall) should be raised to avoid procurement through informal systems. (b) Allocation of buffer stock to FPSs to ensure continuous supplies. (c) Improving Access for Women by undertaking Targeted awareness campaigns

and training sessions for women beneficiaries, covering all key aspects of the scheme. Additionally, training for women FPS license holders should also be organized to increase their involvement in the supply chain.

• Impact of One Nation One Ration Card (ONORC) Scheme on Food Security: A Study of Punjab. The implementation of the One Nation One Ration Card (ONORC) scheme in India represents a significant step towards enhancing food security and promoting welfare outcomes for vulnerable populations. Among the various states in India, Punjab stands as a crucial case study due to its unique socio-economic landscape and agricultural significance. The study conducted by **Singh and Kaur** (2021) delves into the impact assessment of the ONORC scheme specifically within the context of Punjab, shedding light on its implications for food security in the region. Singh and Kaur's study presents a comprehensive analysis of the ONORC scheme's influence on food security indicators, providing valuable insights into its effectiveness and identifying areas for improvement.

The study, published in the Indian Journal of Agricultural Economics, adds to the growing body of literature on food security policies in India and offers nuanced perspectives on the ONORC scheme's implementation and outcomes in Punjab. The research methodology employed by Singh and Kaur involves a rigorous assessment framework, combining quantitative analysis with qualitative insights to evaluate the impact of ONORC on food security in Punjab. Through data collection from primary and secondary sources, including surveys, interviews, and government reports, the study captures the multifaceted dynamics of food security within the state.

One of the key findings highlighted in Singh and Kaur's study is the positive impact of the ONORC scheme on enhancing access to subsidized food grains for eligible beneficiaries in Punjab. By enabling portability of ration cards across state borders, ONORC has facilitated greater mobility and flexibility for migrant workers and marginalized communities, ensuring continuous access to essential food items even during periods of relocation or displacement.

Furthermore, the study underscores the role of ONORC in streamlining the public distribution system (PDS) and reducing leakages and inefficiencies in food grain distribution

mechanisms. Through the integration of Aadhaar authentication and technology-driven reforms, ONORC has enhanced transparency and accountability in the delivery of welfare benefits, thereby minimizing the scope for corruption and diversion of resources.

However, Singh and Kaur also acknowledge certain challenges and limitations associated with the implementation of the ONORC scheme in Punjab. Despite its overall positive impact, the study highlights issues related to last-mile delivery, infrastructure constraints, and awareness gaps among beneficiaries, which may hinder the scheme's effectiveness in reaching its intended beneficiaries. In conclusion, Singh and Kaur's study offer valuable insights into the impact of the ONORC scheme on food security in Punjab, providing policymakers, researchers, and practitioners with empirical evidence to inform policy formulation and implementation strategies. By addressing the complexities and nuances of food security dynamics within the state, the study contributes to a deeper understanding of the ONORC scheme's role in promoting inclusive development and social welfare outcomes in India.

• Talking about the implementation of ONORC in the state of Meghalaya, Shereb Palden Bhutia writes in the Sikkim Chronical about the harsh reaction of the opposition parties jut a day after the implementation of the ONORC in the state. He narrates about the dilemma and fears of the opposition post implementation of the scheme. He says that the ONORC (One Nation One Ration Card) Scheme has been a subject of intense debate and ideological warfare among political parties in Sikkim. The scheme, launched by Chief Minister Prem Singh Tamang on July 28, 2021, aims to provide migrant workers with the ability to use their ration cards across the state. However, its implementation has been met with criticism from opposition leaders and civil society activists, who argue that it violates Article 371F of the Indian Constitution and could lead to increased migrant settlements. Critics, such as Tseten Tashi Bhutia, Ex-MLA and Convener of Sikkim Bhutia Lepcha Apex Committee (SIBLAC), have expressed concerns over the protection of Sikkimese from fraudulent documents and the influx of migrants, which they believe the ONORC scheme might exacerbate. The opposition also contends that the scheme does not cater to the local laborers and lacks clarity in its policy regarding the registration of laborers.

Supporters of the scheme argue that it will benefit the migrant workers living in Sikkim by providing them with subsidized ration without the need for voter cards and Aadhar cards, which were previously required. The government's stance is that the ONORC scheme will decrease the rise in the influx of the state by simplifying the process for migrant workers to fulfill their basic everyday needs. The ideological divide on the ONORC scheme reflects broader concerns about the preservation of Sikkim's unique constitutional status and the rights of its indigenous people. The debate continues to be a significant point of contention in Sikkim's political landscape, with implications for the state's social fabric and governance.

# सुखार्थिनः कुतो विद्या नास्ति विद्यार्थिनः सुखम्। सुखार्थी वा त्यजेद्विद्यां विद्यार्थी वा त्यजेत्सुखम्॥

"There is no knowledge for the seekers of comfort, and no comfort for the seekers of knowledge. A seeker of comfort should give up knowledge, and a seeker of knowledge should give up comfort"

## **Chapter-3**

## **Research Objectives and Methodology**

### 3.1 Research Strategy and Design

The One Nation One Ration Card (ONORC) initiative under the National Food Security Act (NFSA) is a significant and transformative scheme with the intention of providing millions of Indians with food security. Launched by the Government of India in Aug 2019, this ambitious program intends to streamline the public distribution system (PDS) and facilitate seamless access to subsidised food grains for eligible beneficiaries across the country. The ONORC scheme aims at nationwide portability of ration cards by integrating various state-level ration cards into a single unified platform. Through this all eligible ration card holders/beneficiaries covered under NFSA can access their entitlements from anywhere in the country, from any Fair Price Shop (FPS) in any part of India, regardless of their location or state of origin, thereby eliminating bureaucratic hurdles and empowering individuals. The aim of the exercise was to empower all NFSA beneficiaries to become **Atma Nirbhar** for their food security anywhere in the country, through portability of their existing ration cards.

The research design of a research study refers to the framework that gives the details of procedures or strategies employed for undertaking a research. It involves identifying the research questions, selecting the research methods, determining the data collection procedures, the sample size and method and data analysis techniques. The research design helps us in ensuring that research study is systematic, efficient and achieves its objectives effectively. In the context of this dissertation on the ONORC and its Impact on Rural Areas, the research design should be developed after carefully reviewing the literature and considering the research questions, research objectives and the target population. The

research design should be flexible and adaptable to accommodate changes during the course of study, if required. The data collection methods and techniques should be selected in such a way that they are relevant to the research questions and capable of providing accurate & reliable data. The data analysis techniques should be chosen based on the type of data collected and objectives. The research design should also consider ethics and ensure protection of the rights of the participants

The research strategy in this study is primarily quantitative, with a research methods ('Survey') based approach. Face to face interactions, interviews and questionnaire were used to collect responses of the Government Officials of the state and centre involved in the implementation of the scheme. Interactions and interview were also taken of the other stake holders which include the FPS dealers, officials of the Food and Civil Supplies of the respective states, food inspectors of the respective districts, the District Collector of respective districts, the personnel of the National Informatics Centre and the beneficiaries. It is a deductive research approach to answer 'what', 'how', to achieve kind of research queries. The research is therefore exploratory and descriptive in nature.

### 3.2 Objectives of the Study

This study has been carried out with the following objectives:

- 1. To understand the ONORC scheme's concept and rationale.
- 2. To assess the impact of ONORC in rural areas.
- 3. To identify and analyze the unique challenges of implementing ONORC in rural India.
- 4. To provide policy implications and recommendations for overcoming these challenges and enhancing the ONORC scheme's effectiveness in rural areas.

### 3.3 Research Questions:

"The Research questions are the fundamental inquiries that a study aims to address. They steer the course of the research and establish its precise goals". Typically, these questions arise from the research problem and the review of existing literature, laying the groundwork for formulating the research approach, as well as gathering and analyzing data.

The following Research Questions have been reflected upon in this dissertation:

- 1. What is the conceptual framework and rationale behind the ONORC scheme?
- 2. What is the impact of ONORC in rural areas, especially in terms of food security?
- 3. What are the primary challenges faced during the implementation of ONORC in rural areas?
- 4. What policy recommendations can be proposed to address these challenges and improve ONORC's effectiveness in rural regions?

### 3.4 Limitations and Scope of the Study

The scope of the study is limited to the background and objectives of the ONORC scheme, its benefits and challenges. The study focuses on specific issues and problems faced towards implementation of the scheme in rural areas such as the lack of Aadhaar linkage, ePoS devices, internet connectivity, awareness and trust among the beneficiaries, variation in food habits and prices across states, etc. A comparative study towards pre and post ONORC across the sample states has been undertaken. As the scheme is a PAN India Scheme the study is limited to the implementation of the scheme to two states namely Punjab and Meghalaya. The data collected from both surveys (beneficiaries and PDS dealers) is self-reported and therefore limited by respondents' willingness and ability to answer.

The survey was conducted in the vernacular language of the beneficiary. While it was ensured that the survey instruments were effectively translated, the questions may have been interpreted differently based on linguistic differences, and this may have affected the overall results. Migrant beneficiaries in our sample were engaged in different professions ie homemakers – 40 percent, private sector employees – 15 percent, construction workers – 10 percent, agricultural or other casual labour – 35 percent, etc.

While a sufficiently large number of migrant beneficiaries were included for the analysis, the sample did not capture an adequate number of responses from inter-state migrants. The findings are therefore mainly reflective of the experience of intra-state migrants. Results may differ significantly for inter-state migrants and the 'ration portability' experience of migrants may be much more nuanced than captured in the study.

**3.5 Focused Group Discussion:** Focused Group Discussions were held during interaction with the Stakeholders which included the villagers, panchayat members, and Government officials of East Khasi hill district, Meghalaya and SAS Nagar (Mohali) Punjab.

# 3.6 Research Methods Applied and Data Sources

The data collection method utilized were as Surveys, Interviews and Focussed Group Discussions. Primary data was collected through interviews of the officials of the Department of Food and Public Distribution and those involved in the conceptualization and implementation. Various government guidelines and regulations on the subject were also referred while collection of the primary data. Secondary data was collected through literature review of articles in referenced academic journals, reports and policy documents by credible sources and questionnaire, interviews and discussions with the stake holders which include the personnel of the Fair Price Shops, the PDS, the beneficiaries, the gram panchayat members.

The study involved an in-depth study and analysis of the Research papers and articles on the issue which have been published in various renowned journals as well as available on internet for better understanding of the subject. An international scan on the subject was carried for capturing the best practices. Interviews were conducted from officers of various departments. The use of mixed methodology provided a more complete picture of the research problem and enabled triangulation of the data, which increased the reliability of the results. It also gave a more comprehensive understanding of the research problem by addressing limitations in the individual methodologies.

#### **Sampling Techniques**

Random Sampling technique was used and the samples from the villagers were randomly taken. Each villager had an equal opportunity of being selected.

# 3.7 Research Gap

**Implementation Challenges**: Despite the potential benefits of the ONORC scheme, there are gaps in its implementation. For instance, issues with technology, such as erratic ePoS connectivity, especially in rural and remote areas, can jeopardize the smooth functioning of the scheme. Solutions and recommendations may help and contribute to enhance the success of the scheme.

**Awareness and Uptake**: While there is widespread awareness about the portability provision of the ONORC scheme, many beneficiaries struggle to avail it. Researching the reasons behind this, and potential solutions, is considered a valuable contribution.

**Impact on Food Security:** The impact of ONORC on the food security indicators such as, nutrition dietary diversity, calorie intake, and nutritional outcomes, among rural households and health outcomes of the beneficiaries, especially the vulnerable groups such as women, children, elderly, and disabled are the areas which require an in depth study and analysis.

**Beneficiary Experience:** Studies have shown that some households experience transaction failures when trying to avail rations using portability. Investigating the reasons behind these failures and their impact on beneficiaries could be another potential research gap<sup>5</sup>.

**Comparison of the Food Security Status:** Comparison of food security status of households before and after the implementation of ONORC to assess changes over time is also considered a tool to determine the impact of the scheme.

# यत्र धर्मस्तत्र जयः

"Where there is righteousness, there will be victory".

# Chapter 4 Impact of ONORC

#### 4.1 Evaluation of the scheme

The One Nation One Ration Card (ONORC) scheme is a technology-driven initiative by the Department of Food & Public Distribution, Government of India to address the difficulties of migrants. By commencing the national portability of ration cards, the scheme aims to ensure food security for about 80 Crore beneficiaries, including migrants. This initiative also provides leverage to States/UTs to serve many more beneficiaries, without actually incurring any additional burden. Furthermore, this mechanism can plug the leakage/diversion of unlifted foodgrains in FPSs, as they can now be lifted by their rightful beneficiaries through portability and gets reconciled/adjusted between States/UTs, thereby minimizing the chances of un-lifted foodgrains getting diverted.

Procurement

Distribution
(Done by State Government)

Storage

Fair Price Shops
(Ration Shops)

Consumer

Bulk Allocation

Figure 2: Illustration of ONORC procedure in tabular form

**Source: DFPD** 

**Objective of the scheme**: The ONORC initiative is designed to allow migrant laborers and their families to get access to food grains from any authorized ration shop/Fair Price Shop (FPS) across the nation, as part of the National Food Security Act, 2013.

Implementation: The scheme is being implemented nationwide through an IT-driven system. This includes the installation of electronic Point of Sale (ePoS) devices at Fair Price Shops (FPS), seeding of Aadhaar numbers with ration cards, and operationalization of biometrically authenticated ePOS transactions. As per the Ministry Of Consumer Affairs Food And Public Distribution, as on Feb 24 out of total of **5,38,332 FPS** in the entire country, **4,88,832** are POS enabled taking the count to **90.68 percent**. 9711 FPS belong to Panchayat, 83,300 belong to Cooperative societies, 25860 to Self Help Groups (SHG), 2,95,414 to individuals and 91,827 to others.

FPS Ownership

Coop Soc
Others
Panchayat
SHG
Individuals

Figure 3: FPS Ownership PAN India

Source: DFPD

**Portability**: Beneficiaries can quote either their ration card number or the Aadhaar number to any Fair Price Shop's dealer across the country. Anyone in the family, who have seeded Aadhaar in the ration card can undergo authentication and lift the ration from any fair price shop. In case the migrant and his family are at different places still there is a provision that

both of them can draw entitlements at their respective locations. No documents are required to be carried and even no new ration card is required.

**Year wise Portability Transactions** 50 45 **Portability** Year 40 35 2019 04 Crore 2020 22 Crore 30 28 Crore 2021 25 2022 44 Crore 20 2023 22 Crore 15 10 5 0 2019 2020 2021 2022 2023

Figure 4: Illustration of Year wise portability transactions

Source: Department Of Food And Public Distribution

**Benefits**: The system permits all individuals covered by the NFSA, especially migrants, to access their entitled share of food grains, in whole or in part, from any designated ration outlet nationwide using their current ration card coupled with biometric/Aadhaar verification smoothly. Additionally, it enables family members remaining in the home location to obtain the remaining portion of food grains using the same card.

**Impact**: The ONORC scheme, which was primarily created to provide food safety to migrant families, has had a positive impact even on non-migrants<sup>6</sup>.

**Gaps**: There a few gaps which have been identified in the ONORC scheme. And despite its success, these gaps need to be addressed. Few of the gaps include:

 The impact of ONORC on the food security, nutrition, and health outcomes of the beneficiaries, especially the vulnerable groups such as women, children, elderly, and disabled. • The technical and operational issues that affect the smooth functioning of ONORC, such as the availability and reliability of electronic point of sale (ePoS) devices, internet connectivity, biometric authentication, and data sharing<sup>7</sup>.

**Beneficiary Experience:** Studies have shown that some households experience transaction failures when trying to avail rations using portability. Investigating the reasons behind these failures and their impact on beneficiaries could be another potential research gap.

**Eligibility and Application Process**: The scheme provides an option to all eligible ration card holders or beneficiaries covered under the National Food Security Act (NFSA), 2013. Interested persons can visit the nearest Fair Price Shop with their Ration Card.

**Awareness:** A majority of households with ration cards were aware of portability, however some beneficiaries who wanted the benefits of portability did not know it existed. **95 percent** ration card holding households were fully aware of inter and intra state portability, **5 percent** were partially aware. Approximately **15 percent** of households who had not used portability, but wanted to, did not know that they could.

#### **Constraints Addressed**

- Beneficiary confined to a particular Fair Price Shop (FPS) The Ration Card of a beneficiary was tagged to a particular FPS and the Ration card holders could avail entitlements from tagged FPS only and hence were dependent on the whims-and-fancies of the FPS dealer. However the existing limitations were done away with in the ONORC. The beneficiaries could just walk-in to any FPS with E-POS, authenticate on the E-POS with aadhaar biometric and receive part or full entitlements as per their wish. Additionally the family members could also avail the balance of entitlement in their home town by doing the same procedure.
- **Migrants lost access to PDS foodgrains:** The migrants used to frequently lose access to the PDS foodgrains and were forced to buy grains from the open market, thus incurring heavy expenditure whenever they migrated to a new place for work. However with ONORC this problem was resolved and the beneficiaries could access their entitlement from any FPS in the country irrespective of the location.

- Obtaining New Ration Card: Whenever the people migrated to other places they had to go through the process of acquiring a new ration card, which was time consuming and cumbersome. It required many documents and often the migrants did not have any of those and were deprived of the facility. Acquiring a new ration card also used to lead to duplicacy. With the present system the beneficiary could avail the entitlement by use existing / same ration card number or aadhaar and authenticate on e-pos with Aadhaar biometrics.
- Updating ration cards Almost all the beneficiaries expressed that the updation of the ration cards was tedious. Approximately 30 percent of the beneficiaries across the states who were interviewed wanted to update their ration card for adding a new members or correcting important details in order to avail the rightful quantity of rations and complete their authentication. Most of these households had not yet applied for the update, primarily because they were unable to compile all necessary documents. Non updation of personal details or mobile numbers on a ration card can prevent a household from availing their rations, or for PHH ration card holders, the quantity of rations issued is dependent on the number of household members listed on the ration card.

# **Technology Driven Initiative**

This transformational initiative of the Government of India was driven by the latest Technology for empowering the migrants to be self reliant in food security in a transparent manner. In order to ensure a nation wide portability, a platform was created to facilitate national level portability for ensuring food security to the (NFSA) beneficiaries and that they could avail their entitlements from any of the states during short term migration without the process of surrendering and reissue of the ration cards. As the conventional system of the ration cards did not have nation wide portability, the DFPD created a data repository at national level and also developed state-of-the-art solution which would enable States/UTs to handshake and transmit food grains allotment/lifting information across other States/UTs.

The scheme's End-To-End computerization enabled states to .perform online management of beneficiaries' data and seed the Aadhaar number against each individual. In order to ensure that same Aadhaar number is not seeded against more than one beneficiary in the ration card database anywhere at national level and to enable States/UTs to check the uniqueness and eligibility of applicants before issuing new ration card, Aadhaar based de-

duplication, national level de-duplication was run on central repository of Ration cards/ PDS beneficiaries.

The migrant beneficiaries desirous of receiving their foodgrains through portability, ONE NATION, ONE RATION CARD may simply walk into any ePoS enabled FPS of choice in the ONORC enabled States/UTs and quote or present either their ration card number or seeded Aadhaar number to access their entitlements after biometric authentication on a ePoS device. Further two portals run the system that also hosts all the relevant data:

Integrated Management of Public Distribution System (IM-PDS) portal: It records the inter-state transactions.

**Annavitran Portal**: Maintains a record of intra-state, inter-district and intra-district transactions.

Empowering The Migrants: The Department of Food & Public Distribution in association with NIC has launched a Mobile Application "MERA RATION" (मेरा राशन) for the benefit of NFSA beneficiaries, especially those who have left their place of residence to other places for employment, to take maximum advantage of the One Nation One Ration Card (ONORC) plan. The application is available in 10 languages, namely English, Hindi, Kannada, Odiya, Gujarati, Punjabi, Telugu, Malayalam, Marathi and Tamil, and can be easily downloaded from App store / Google Play Store. The salient features of the App which can be easily accessed by beneficiaries using either their Ration Card number or Aadhaar number are:

- Beneficiaries can identify and locate the nearest fair price shop.
- Beneficiaries can easily check details of their foodgrain entitlement, recent transactions, and the status of their Aadhaar seeding.
- Migrant beneficiaries can register their migration details through the application.
   This particular piece of information helps the states in advance planning and provisioning of food grains under ONORC for those beneficiaries.
- Option for beneficiaries to enter suggestions or feedback.

# **Achievements**

- Indigenous Effort The initiative of portability ONORC has been developed fully indigenously with the technical support of National Informatics Centre (NIC). High end servers and storage capacity have been provisioned at NIC cloud to store the ration card data of beneficiaries and PoS transaction details of ration card holders. This repository is utilized as an information database and this data is analysed by central team.
- **Minimal Cost and Speedy Implementation**: The broad-based reform of portability covering nearly 81 Crore NFSA beneficiaries in all States/UTs has been achieved with minimal outlay of just Rs. 127 Crore, over a period of 4 years. Further, this is a one-ofits-kind Citizen-Centric initiative in the country, has been swiftly implemented across all States/UTs in a short span of time after being sanctioned in 2018-19 and implemented from August 2019<sup>8</sup>.
- Role during the COVID Pandemic One Nation One Ration Card was helpful to NFSA beneficiaries in availing foodgrains from any location during COVID pandemic/lockdown period. This freedom of choice was a tremendous value-added service to each NFSA beneficiary. Portability was operated at different levels i.e. Intra-State (Inter- District or Intra-District) and Inter-State. During the period 01-April-20 to 27-May-21, about 19.64 crore portability transactions were carried out across States/UTs benefiting large number of NFSA beneficiaries, mostly migrants, at the FPSs near to their location of work/temporary stay. Implementation of ONORC has made steady improvement during COVID pandemic period.

# 4.2 <u>Limitations and Challenges</u>

In India, migration is mainly seasonal and circular in nature, and not of permanent type. Almost a third of the Indians are internal migrants. According to an estimate by Ravi Srivastava, an expert on migration, the population of short duration migrants is roughly 50 million. Therefore, the ONORC scheme is considered to be one of the best and most effective solutions to provide rations under the public distribution scheme to the footloose, internal migrant workers under the National Food Security Act, 2013 (NFSA). The scheme, despite being a game changer with regard to provisioning of food grain to the migrants and their families back home has few challenges especially in rural areas which

include lack of awareness and demand among the beneficiaries, inadequate infrastructure and connectivity of fair price shops, poor quality and quantity of food grains supplied.

**Technological Infrastructure**: One of the main hurdles is the availability and reliability of technological infrastructure and internet connectivity, in rural and remote areas.

**Data Privacy and Security**: With the digitalization of the PDS and creation of a repository, the protection of the privacy and security of beneficiaries' data is considered of prime importance. The issue needs to be addressed by ensuring stringent measures for safeguarding personal information and prevention any misuse.

**Exclusion Error**: The Indian government launched the Aadhaar program in 2009 to provide a unique identification number to all residents of India. It is one of the world's largest biometric identification systems, and it links an individual's demographic and biometric information to a unique 12-digit Aadhaar number. The government has mandated the seeding of Aadhaar with various social welfare schemes, including the public distribution system (PDS), to ensure that benefits reach the intended beneficiaries and to curb leakages and corruption<sup>9</sup>.

However, despite the government's efforts to make Aadhaar ubiquitous, many people still do not possess Aadhaar cards, which can lead to exclusion errors and deprive individuals of their food security. Moreover, even if individuals do have Aadhaar cards, they may face problems with seeding their Aadhaar with ration cards due to discrepancies in their personal information, such as name, date of birth, gender, etc. This can occur due to spelling errors, name mismatches, or other errors. Unfortunately, many individuals who require PDS ration cards may not be able to recognize these errors on their own, and the wrong personal details do not get corrected on time. This can lead to delays and difficulties in seeding Aadhaar with ration cards, especially for low-income individuals who may not have the resources or knowledge to navigate the system.

There are also other issues that can prevent individuals from accessing PDS ration even after seeding their Aadhaar with their ration cards. For instance, recently separated or divorced women may encounter difficulties in obtaining new ration cards due to a lack of

documentation, especially if their Aadhaar and ration card carry their husband's surname. It can be challenging for them to change their name and update their documents after separation or divorce.

Similarly, women who get married may have to face problems in getting PDS ration due to relocation or difficulty in updating their documents. They may require a new ration card with their husband's residential address and their name (along with their husband's surname) on that ration card. This can be particularly challenging if they do not possess a marriage certificate, and their school certificates and other documents carry their father's surname. Further, elderly individuals and those performing manual work may face difficulties with biometric authentication during ePoS transactions, even after seeding Aadhaar with their ration cards. This is because their irises or fingerprints may be diluted or obscured due to age or work-related factors. As a result, they may not be able to obtain ration through the One Nation One Ration Card (ONORC) scheme due to authentication failure.

While the Aadhaar program has the potential to improve the delivery of social welfare benefits, it is essential to address the exclusion errors and other challenges that prevent individuals from accessing these benefits. This requires a concerted effort on the part of the government, civil society organizations, and other stakeholders to ensure that the system is fair, transparent, and accessible to all.

**Disrupting Supplies at FPS**: An FPS receives the monthly quota of products strictly in accordance with the number of people assigned to it. The ONORC, when fully operational, is likely to effect the supply of products, as some FPSs may have to cater to more numbers of cards even as others cater to less, owing to migration of people. A potential approach is for state governments to engage both Public Distribution System (PDS) dealers and the media to educate beneficiaries on the option of portability. Awareness initiatives should specifically target at-risk populations such as migrant construction laborers and disadvantaged women. Additionally, PDS dealers need to be informed about the feasibility of portability across state lines.

Access to PDS ration by the poor Recent research highlights that many low-income families in India without ration cards are keen to join the Public Distribution System (PDS). Various barriers prevent them from obtaining a ration card, leaving them excluded from the PDS. For example, some of these households lack the required documentation, while others encounter difficulties with Aadhaar verification.

The National Food Security Act (NFSA) provides subsidized grains to a significant segment of India's population, with eligibility percentages differing between rural and urban areas across states and Union Territories. Notably, about 67% of India's total population is covered under the NFSA for subsidized grain entitlements.

Based on the population in 2020, experts like Jean Drèze, Reetika Khera, and Meghana Mungikar suggest that approximately 922 million people should be beneficiaries under the NFSA. However, the eligibility figures are based on the 2011 Census, which accounts for 814 million people or 67% of the population at that time. Consequently, over 100 million individuals who should have been eligible in 2020 were left out due to the use of outdated census data. This discrepancy persists as of January 2024, with a significant number of eligible individuals still not receiving their entitled food rations.

Access to cooking gas, cooked meals, and community kitchens: The scheme does not include the portability of LPG cylinders like it does for ration. Migrants must cook the subsidized grains obtained from Fair Price Shops at their own residence. However, landlords often refuse to verify a migrant's tenancy, creating a significant barrier to securing an LPG connection. Consequently, migrants frequently resort to buying LPG cylinders on the black market at steep prices. While PDS kerosene is accessible at Fair Price Shops, it is currently sold at regular market prices due to the government's ongoing efforts to eliminate kerosene use<sup>10</sup>.

#### Threats to PDS ration

In certain states and Union Territories like Chandigarh and Puducherry, there have been experimental moves to replace the Public Distribution System (PDS) with cash transfers for some commodities, rather than the full range available at Fair Price Shops (FPS). Often, the

cash amount provided does not suffice to purchase equivalent quantities in the open market due to significant price differences between FPS and local grocery stores.

# PDS ration quality

The assortment and quality of food grains available at Fair Price Shops (FPS) differ within and between states. While most states distribute both rice and wheat, some, like Maharashtra, offer only wheat to families below the poverty line. Punjab provides 35 kg of wheat every three months, with plans to initiate monthly home deliveries. Andhra Pradesh exclusively supplies rice, whereas Tamil Nadu provides 20 kg of rice monthly to below poverty line (BPL) households, and Karnataka offers 5 kg of rice per family member each month, along with options like ragi or jowar. In Bihar and Uttar Pradesh, rice costs Rs 3 per kg, but in Tamil Nadu, it's free for BPL families. States like Himachal Pradesh and Chhattisgarh also provide pulses to BPL households. Price discrepancies and the variety of items offered can complicate the situation for migrants using ration portability. Some state governments offer extra food subsidies, allowing them to provide rations at lower prices than those set by the Union government. However, these states may hesitate to extend these additional subsidies to individuals from other states, highlighting the need for inter-state cooperation to support the welfare of interstate migrant workers<sup>11</sup>.

# Non accessibility of the 'Mera Ration' app

"The development of mobile apps for ONORC assumes that those who use it have a smart phone. Unfortunately, a large portion of the population is poor and cannot afford a phone or internet data. Furthermore, rural areas are not utilizing the app due to a lack of awareness and insufficient promotion by government officials. COVID-19 has exacerbated the financial struggles of informal and migrant workers, making it even more challenging for them to access such technology".

#### Criticized by few sections of society/states

The One Nation One Ration Card (ONORC) scheme has been criticized by some states as being against the federal scheme of the constitution due to its centralization features and top-down approach.

The federal structure of the Indian constitution allows for a division of powers between the central government and the state governments. However, the ONORC scheme, due to its centralized nature, is seen by some as infringing upon the rights of the states. This is because the implementation of the Public Distribution System (PDS), which the ONORC scheme is a part of, traditionally falls under the purview of the state governments.

The ONORC scheme standardizes the PDS across the country, which means that states have less control over how the system is implemented within their jurisdiction. This has led to resistance from some states and has been a point of contention. Moreover, in states like Sikkim, opposition leaders have stated that the implementation of the ONORC scheme could violate specific provisions of the constitution, such as Article 371F, and open doors for migrant settlements<sup>12</sup>.

# Reliability of Eectronic Point Of Sale (ePOS)

The technical and operational issues that affect the smooth functioning of ONORC, are the availability and reliability of electronic point of sale (ePoS) devices, internet connectivity, biometric authentication, and data sharing. Vulnerable segments of society like separated or divorced women find it difficult to access portability as it was difficult for them to provide documentation that proved separation from their husbands, which resulted in them being excluded from the PDS. Approximately 77 percent of low-income households that did not have a ration card wanted to enroll in the PDS. However, 61 percent of them could not obtain a ration card due to challenges such as absence of necessary documents or <u>Aadhaar</u> authentication issues.

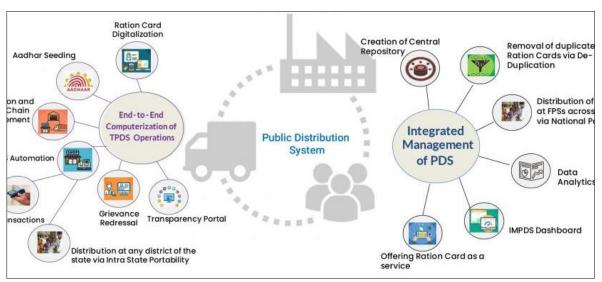
#### **Low-income Households without Ration Cards**

77 percent of low-income households that didn't have a ration card wanted to enroll in PDS. Majority of the beneficiaries failed to apply for a ration card and remained excluded from the scheme for multiple reasons: 36 percent of them reported that they did not have the necessary documents, 25 percent had issues with Aadhaar authentication and only households with ration cards were included in the analysis. NFSA coverage is based on the socio-economic caste census of 2011. Low-income households that are not included on the

list are not covered by NFSA. Dreze et al estimates the number of beneficiaries not covered by the scheme to be 100 million nationwide.

# 4.3 <u>Impact Assessment</u>

Figure 5: Illustration of Integrated Management of Public Distribution System



Source: NFSA (https://nfsa.gov.in)

The One Nation One Ration Card (ONORC) scheme has been a pivotal initiative by the Government of India aimed at revolutionizing the Public Distribution System (PDS) and ensuring food security for all citizens across state boundaries. The National Food Security Act (NFSA), enacted in 2013, aims to provide subsidized food grains to about two-thirds of the population through the public distribution system (PDS). However, the PDS suffered from various challenges such as inefficiency, corruption, diversion, and exclusion of beneficiaries. To address these challenges and to ensure food security for migrants and their families, the Government of India launched the One Nation One Ration Card (ONORC) scheme in 2019. Introduced to facilitate the portability of ration cards, this scheme holds the promise of empowering beneficiaries with access to subsidized food grains irrespective of their current location within the country. The ONORC scheme has been implemented PAN India covering about 80 crore beneficiaries. However, the impact and effectiveness of the scheme vary across different regions and contexts, depending on the availability of infrastructure, awareness, and cooperation among stakeholders. Therefore, it is important to

assess the impact of the ONORC scheme in different states and to identify the best practices and challenges for its successful implementation. Thus, in order to study the impact and carry out an analysis, a detailed study was undertaken on the states of **Punjab**, and **Meghalaya**. The reason of choosing Punjab was that it was largely an agricultural state with its mainstay being agriculture and had the largest population of migrant workers in the country from outside the state. It also had a significant population migrating intra state as well for employment. The reason behind choosing Mehgalaya was that many of its districts are remotely located with a difficult terrain and majority of the North Eastern states lack implementation of the various government schemes. Further Meghalaya is also amongst the poorest state in the North East with 57 percent of its districts in high poverty level.

# **PUNJAB** (Mohali District)



**Interaction with Additional District Commissioner SAS Nagar (Mohali)** 

In the context of the state of **Punjab**, where agriculture is not only a major contributor to the economy but also deeply intertwined with the socio-economic fabric, the implementation and impact of the ONORC scheme carry significant implications.

Punjab, also known as land of opportunities, is distinguished by its propensity to attract a notable influx of migrants from other Indian states. According to the 2011 Census data, over 24 lakh people (24, 88,299) from across the country relocated to Punjab, making it the state with the 8th largest share of migrants from other states. This accounts for 5.3 percent of the total migrants in India. Interestingly, a majority of these migrants were females, constituting

55.2 percent. The industrial city of Ludhiana and SAS Nagar have been the most preferred settlement destinations for in-migrants to the state.

The reasons for in-migration to Punjab vary between genders. Males mostly migrate to Punjab in search of work and employment opportunities, whereas females tend to shift for marital purposes. This trend is similar across the country. Uttar Pradesh is the leading state in terms of migration to Punjab, contributing to 26.1 percent of the total migrants. Most of these migrants from Uttar Pradesh and Bihar come to Punjab in search of employment opportunities and work as casual laborers in farms or daily wage earners.

With a large population of migrants, Punjab, which has been implementing the scheme since August 2020, is also one of the major food-producing states in India. As per the data of the Department Of Food And Public Distribution of Punjab (DFPD) there are a total of 1,54,59,726 beneficiaries out of which the government has achieved 1,54,39,052 Aadhaar seeding and issued 40,18,683 ration Cards and seeded 40,18,255 Ration Cards with Aadhaar cards thereby linking approximately 99 percent and also giving them the option of portability. As Punjab grapples with various challenges ranging from food security issues to migration dynamics, a thorough assessment of the ONORC scheme's impact becomes imperative.

This impact assessment focused on the multifaceted dimensions of the ONORC scheme in Punjab, examining its efficacy in enhancing food accessibility, reducing leakages in the PDS, addressing the needs of migrant populations, and its broader socio-economic repercussions. By critically analyzing the scheme's implementation process, identifying bottlenecks, and gauging the extent of its reach and effectiveness, this assessment aimed to provide insights that can inform policy decisions and optimize the scheme's outcomes in Punjab. Through a comprehensive evaluation, this assessment not only highlighted the successes and challenges encountered in the implementation of the ONORC scheme in Punjab but also offered actionable recommendations for its refinement and better alignment with the state's unique socio-economic landscape.

The study adopted mainly a quantitative approach, data collection and analysis. The study utilized secondary data from various sources such as government reports, academic

papers, media articles, etc. to review the existing literature and data on the ONORC scheme, in Punjab. The study also included collection of primary data through conduct of Interviews and discussions with government officials at the district level like the Deputy Commissioner, the Controller of Food and Civil Supplies, the food inspectors of the department of Food and Civil Supplies. Interactions were also done with the beneficiaries and questionnaires were provided to them to get a feedback on the efficacy of the scheme and the challenges being faced by them on ground. The study also included meeting and interacting with other stakeholders like the Fair Price Shop dealers. They were also provided with a questionnaire for giving inputs on the functioning of the scheme in Punjab. The study evaluated the impact of the ONORC scheme in the district of Mohali (SAS Nagar), Punjab based on the indicators and criteria defined by the study. The study also discussed the implications, limitations, and challenges of the assessment and provided recommendations and suggestions for improvement and future research. The implementation status of ONORC in rural Punjab, particularly in the district of Mohali, reflects both progress and challenges. To provide a comprehensive overview, let's delve into each aspect—coverage, enrollment rates, and operational challenges focusing on Mohali.

# Aadhaar Seeding in the state of Punjab WEF 2018 -2023 (99.98% seeding as on date)

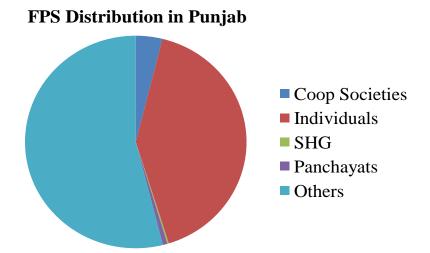
**Aadhaar Seeding** 100.00% 80.00% 60.00% 40.00% 20.00% 0.00% 202 202 202 201 201 202 202 8 2 3 9 0 1 4 98.61 99.71 99.72 99.73 Series 1 78.89 87.18 99.98

Figure 6: Ilustration of Aadhaar Seeding in Punjab WEF 2018-2024

Source: Deptt of Food Civil Supplies and Consumer Affairs, Govt of Punjab

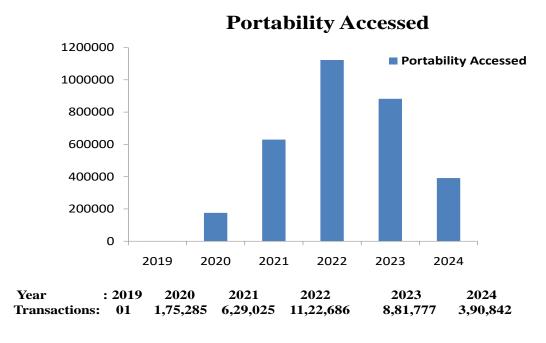
A total of **17,614 FPS** exists in the state as on 01 Mar 24 out of which **118** are owned by local panchayats, **683** are owned by Cooperative Societies, **37** by Self Help Groups, **7274** by individuals and **9502** by others.

Figure 7: Illustration of FPS Distribution in Punjab



Source: Department Of Food Civil Supplies and Consumer Affairs, Government Of Punjab

Figure 8: Illustration Of Portability accessed by beneficiaries in Punjab



Source: Department Of Food, Civil supplies and Consumer Affairs, Govt of Punjab

# **Extent of Coverage in Mohali:**

Mohali, situated in the heart of Punjab, has witnessed significant strides in ONORC implementation. The district administration, in collaboration with the Food, Civil Supplies, and Consumer Affairs Department, has endeavored to expand the coverage of ONORC to ensure food security for all eligible beneficiaries.

# **Fair Price Shops (FPSs) Compliance:**

Mohali boasts a considerable network of FPSs, most of which have been equipped to handle ONORC transactions. These FPSs serve as vital hubs for the distribution of subsidized food grains to the rural population. The district also plans to build a model FPS and include rice alongwith wheat in the ration being given to the beneficiaries. There are a total of 389 FPS as on date (Jan 24). However Mohali faces infrastructure constraints, particularly in remote rural areas, where FPSs may lack the necessary equipment and facilities for ONORC transactions. Limited access to electricity and digital devices hampers the smooth functioning of the FPS. Visit to a few of the FPS in the district and interaction with the dealers indicated that the rations in the state are issued on quarterly basis and that the quality was good. The rations were initially given on a six monthly basis, which created difficulty for the migrants from outside the state as they had difficulty in accessing their accounts and drawing their entitled rations. Subsequently the issue of ration was made on a quarterly basis and the latest reports indicate that the government is planning to make it on a monthly basis at par with the other states. It was observed that there is no short supply of rations and that they are always adequate stocked with the rations for the beneficiaries.

All the beneficiaries visiting the shops have seeded the Aadhaar with the ration card and complied with the ONORC scheme. On few occasions the FPS face failure of the authentication of the beneficiary on the PoS resulting in the non issue of rations. The failures are mostly due to non-matching of biometrics and the ePOS not picking up the details of the beneficiary. Issues existed with home state as many a time the home state blocked the ration card on non-usage for 3 months, poor internet connectivity and power disruptions. Complaints are subsequently launched to the grievance portal of the state government and the failures are adequately and timely addressed. Most of the FPS which were visited had a shortage of PoS machines and a cluster of around 7 FPS in an area had to share one ePOS

machine. On few occasions the machine became non-operational. During discussions with the FPS dealers it was observed that there is no system of exception i.e. in case of a failure of biometrics there were no means of having any other method of the authentication for issuance of ration i.e. through an OTP or manual means. Upon discussions with the District Collector and the Controller of Food & Civil Supplies the government is in the advanced stage of procurement of deficient ePOS machines which is likely to be completed by April 24. Further the machines being procured would be having a battery backup which would take care of any power disruptions. The D.C. was apprised of the issue of blocking of the ration cards being faced by migrants at their home state and she vowed to take the matter at the appropriate level with the respective states.

The FPS dealers also informed that, they had 100 percent compliance with regard to the intra-state migrants the non-migrant beneficiaries residing in the same place and that they had no difficulties in drawing their rations and no failures had occurred in the last one year. During interactions with the non-migrant beneficiaries it was observed that they never faced any problem with respect to drawl of rations.





Interaction with Beneficiaries of Balongi Village District Mohali Interaction with FPS Dealers
District Mohali

# **Availability of ePOS Devices:**

**Distribution**: The Punjab government has initiated distribution programs to provide ePOS devices to Fair Price Shops (FPSs) across the state. These devices are essential for implementing ONORC as they facilitate authentication and transactions for beneficiaries.

Coverage: While efforts have been made to ensure widespread availability, the coverage of ePOS devices vary across districts and regions. Urban areas and more developed regions have higher coverage compared to remote rural areas due to logistical challenges and infrastructure constraints. In the rural areas most of the FPS have a shortage of PoS machines and a cluster of around 7 FPS in an area had to share one ePOS machine. In order to overcome the shortage, the government of Punjab is procuring deficient ePOS machines which is likely to be completed by April 24.

**Targeted Deployment**: Punjab has prioritized the deployment of ePOS devices in areas with higher population densities and greater demand for subsidized food grains. This targeted approach aims to maximize the impact of ONORC implementation by focusing resources where they are most needed.

# **Functionality of ePOS Devices:**

**Authentication**: ePOS devices in Punjab are equipped with biometric authentication capabilities, typically using Aadhaar data, to verify the identity of beneficiaries. This ensures that only eligible individuals can access subsidized food grains through the ration system. The new machines that are being procured will have battery backup which will obviate the problem of power disruptions.

**Transaction Processing**: Functionality tests have been conducted to ensure that ePOS devices in Punjab can accurately process transactions, including the allocation of subsidized food grains and the deduction of entitlements from beneficiaries' accounts. This functionality is critical for the efficient operation of the ONORC system.

**Connectivity**: ePOS devices rely on internet connectivity to access the central database for authentication and transaction processing. Punjab has worked to improve connectivity infrastructure to ensure that FPSs in both urban and rural areas have reliable access to the internet, minimizing downtime and disruptions. However on few occasions in rural areas poor connectivity is being experienced and many a time it has resulted in transaction failures. The efforts of the government in improving the connectivity has to a great extent improved the situation.

**Digital Infrastructure**: Mohali has made significant investments in digital infrastructure, such as biometric authentication devices and electronic Point of Sale (ePOS) machines, to facilitate seamless ONORC transactions at FPSs. Additionally it was informed by the D.C. during interaction that the government had taken numerous initiatives to spread the awareness and educate the beneficiaries on the digital procedures, so that they remain empowered and are not deprived of the scheme. Initiatives such as conduct of lectures and providing them with literature in vernacular language at the FPS or other convenient place where they collectively gather have been undertaken. The initiative was started in 2021 post launch of the scheme in the state and there has been a significant improvement especially of the resident and intra state beneficiaries.

#### **Enrollment Rates in Mohali:**

As per the latest report, the district of Mohali has more than **90 percent** enrollment rates in Mohali reflect the success of efforts to register eligible beneficiaries for ONORC-compliant ration cards. The district administration has implemented various strategies to maximize enrollment and ensure inclusivity. Few of these measures include:

**Registration Drives**: Regular registration drives are organized across Mohali to facilitate the enrollment of eligible households in the ONORC system. These drives leverage technology and local community networks to reach underserved population.

**Aadhaar Integration**: Aadhaar integration has streamlined the enrollment process, enabling quick and efficient verification of beneficiaries' identities. This integration has contributed to higher enrollment rates by reducing paperwork and enhancing the accuracy of beneficiary data.

**Grievance:** (Redressal Mechanisms) Mohali has established robust grievance redressal mechanisms to address any issues or concerns related to ONORC enrollment. Dedicated helplines, public service centers, and online portals facilitate the resolution of grievances in a timely manner.

#### Level of Awareness

Evaluating the level of awareness about ONORC (One Nation One Ration Card) among rural households in Sahibzada Ajit Singh Nagar (Mohali) is crucial for understanding the effectiveness of outreach efforts and identifying areas for improvement. Here's a detailed evaluation:

Awareness Campaigns: The Punjab Government, in collaboration with local authorities and civil society organizations, has conducted awareness campaigns to educate rural households in Sahibzada Ajit Singh Nagar about ONORC. These campaigns included distribution of pamphlets and posters, regular conduct of street plays, and community meetings involving local residents and beneficiaries to disseminate information about the scheme.

**Media Coverage**: Media platforms such as television, radio, newspapers both in Hindi and vernacular language, and social media have been utilized to raise awareness about ONORC among rural households in Sahibzada Ajit Singh Nagar. Public service announcements, interviews with officials, and success stories have also been featured to highlight the benefits of the scheme.

**Interpersonal Communication**: Frontline workers, including Anganwadi workers, Accredited Social Health Activists (ASHAs), and Gram Panchayat members, play a vital role in disseminating information about ONORC to rural households in Sahibzada Ajit Singh Nagar through interpersonal communication channels.

#### **Evaluation:**

**Reach and Penetration**: An evaluation of the reach and penetration of awareness campaigns in Sahibzada Ajit Singh Nagar has resulted in the increase in the percentage of rural households that have been exposed to information about ONORC. This was assessed through perusing the government website and online portal, and personal interaction with community members.

Knowledge and Understanding: Assessing the knowledge and understanding of ONORC among rural households in Sahibzada Ajit Singh Nagar has helped determine the

effectiveness of awareness campaigns. During interactions and responses to the questionnaires given by the beneficiaries, it was evident that the campaigns by the government have had a positive impact with regard to the understanding of the scheme by the beneficiaries.

**Behavior Change**: There is a behavioral change observed resulting in increased utilization of ONORC-compliant ration cards at Fair Price Shops (FPSs). This clearly indicates the impact of awareness campaigns on rural households in Sahibzada Ajit Singh Nagar. Monitoring transactions and conducting follow-up surveys can further provide valuable insights into behavioral changes over time.

# Operational Challenges and Mitigation measures in Mohali

Despite progress, ONORC implementation in Mohali has encountered several operational challenges that warrant attention and mitigation strategies.

**Connectivity Issues**: Some rural areas in Mohali experience connectivity issues, limiting real-time access to the central ONORC database for authentication and transaction processing. This poses challenges for FPS operators and beneficiaries alike.

**Technical Glitches**: Instances of technical glitches, and hardware malfunctions such as server downtime or software malfunctions, have been reported in Mohali, leading to delays and disruptions in ONORC transactions and service delivery. These glitches undermine the reliability and efficiency of the ONORC system. Punjab has established support mechanisms to address these issues promptly, including technical assistance teams and helpdesk support for FPS owners.

**Infrastructure Constraints**: Mohali faces infrastructure constraints, particularly in remote rural areas, where FPSs may lack the necessary equipment and facilities for ONORC transactions. Limited access to electricity and digital devices hampers the smooth functioning of the ONORC system. Punjab is investing in infrastructure development projects to address these constraints, including expanding electricity and broadband coverage to underserved areas.

**Training and Capacity Building**: FPS owners and staff require training to effectively operate ePOS devices and troubleshoot common issues. Punjab has implemented training programs and workshops to build capacity among stakeholders, ensuring that they have the necessary skills and knowledge to utilize ePOS devices effectively.

**Administrative Hurdles**: Administrative complexities, including data reconciliation, training of personnel, and coordination among multiple stakeholders, pose challenges to ONORC implementation in Mohali. Streamlining administrative processes and enhancing capacity-building initiatives are essential to overcoming these hurdles.

**Capacity Building**: Training programs for FPS owners, ration dealers, and administrative staff in Mohali has significantly enhanced their proficiency in handling ONORC transactions and troubleshooting technical issues. Continuous training and skill development is essential to building a competent workforce for ONORC implementation.

**Monitoring and Evaluation**: Regular monitoring and evaluation of ONORC implementation in Mohali is essential to identify bottlenecks, assess progress, and refine strategies accordingly. Feedback mechanisms from beneficiaries and frontline workers should form decision-making and drive continuous improvement efforts.

The availability and functionality of ePOS devices in ration shops across Punjab play a crucial role in the successful implementation of ONORC. While efforts have been made to distribute ePOS devices and ensure their proper functioning, challenges such as technical issues and infrastructure constraints and shortage of POS machines persist. By addressing these challenges through targeted interventions, infrastructure development, and capacity-building initiatives, Punjab can enhance the effectiveness of its ONORC implementation and ensure that eligible beneficiaries have access to subsidized food grains efficiently and transparently.

**Targeting Vulnerable Groups**: Special attention should be given to reaching vulnerable groups, such as women, elderly individuals, persons with disabilities, and marginalized communities, to ensure inclusivity and equity in awareness efforts.

**Feedback Mechanisms**: Establishing feedback mechanisms, such as toll-free help lines, suggestion boxes, and community meetings, can enable rural households in Sahibzada Ajit

Singh Nagar to provide input, share concerns, and seek clarification about ONORC, fostering greater engagement and participation.

While ONORC implementation in rural Punjab, particularly in the district of Mohali, has made significant strides in terms of coverage and enrollment rates, operational challenges persist. Addressing these challenges requires concerted efforts from the government, civil society organizations, and other stakeholders to ensure the smooth functioning of the ONORC system and realize its goal of ensuring food security for all eligible beneficiaries.



# <u>Interaction with the Controller Food and Civil Supplies, SAS Nagar (Mohali)</u>

Comparative Analysis: In order to further assess the impact and the differences the scheme has had in the hinterland of Punjab, it is imperative to undertake a comprehensive comparative analysis of pre and post implementation of ONORC with regard to various aspects which include the food security status of households in Punjab. Indicators, such as dietary diversity, calorie intake, and nutritional outcomes, before and after the implementation of ONORC, extent to which the scheme has reduced leakages and corruption in the Public Distribution System (PDS) and finally the summary based on

anecdotal reports and qualitative assessments and Community Perspectives and Stakeholder Feedback can be used to form the analysis.

**Food Security** (Before Implementation of ONORC)

Access to Food Grains: Punjab's households primarily relied on the traditional Public Distribution System (PDS) for accessing subsidized food grains. Beneficiaries were restricted to purchasing food grains from designated local ration shops, limiting options and accessibility. There was limited mobility and dependency on local markets for purchasing non-subsidized food items further constrained food choices.

# Variability in Availability:

Availability of subsidized food grains varied across regions of Punjab, with rural areas potentially facing greater challenges. Agricultural and economic factors influenced the availability and affordability of food grains, impacting food security.

#### **Nutritional Status:**

**Dietary Diversity**: The rural households in Punjab had limited access to diverse food items due to dependency on local Public Distribution System (PDS) shops, locally available food grains and limited purchasing power, restricting dietary diversity and potentially leading to nutritional deficiencies. Suboptimal nutritional status contributed to health issues such as malnutrition, particularly among vulnerable populations like children and pregnant women.

# Calorie Intake:

Pre-ONORC, rural households faced challenges in accessing adequate quantities of subsidized food grains due to restrictions tied to local PDS shops. The migrant workers moving across states encountered difficulties in availing their entitlements, leading to fluctuations in calorie intake.

# **Post Implementation of ONORC:**

**Transactions Post ONORC** 40,00,000 Year **Transactions** 35,00,000 2019 11,03,199 30,00,000 2020 20,02,698 25,00,000 2021 36,13,640 2022 10,10,373 20,00,000 2023 37,36,888 15,00,000 2024(Mar) 20,31,785 10,00,000 5,00,000 0 2023

Figure 9: Representation Of Transactions post implementation of ONORC

Source: Department of Food Civil Supplies and Consumer Affairs, Govt Of Punjab

**Enhanced Access to Subsidized Food Grains**: The ONORC scheme permitted inter-state portability and allowed beneficiaries to access subsidized food grains from any Fair Price Shop (FPS) across Punjab and other states. Beneficiaries now have access to a wider range of food grains from different regions, leading to enhanced availability and choice.

**Improved Mobility and Accessibility**: The scheme enabled seamless transactions facilitating and, reducing bureaucratic hurdles and allowing migrant workers to access entitlements even when migrating for work. Further the beneficiaries are no longer solely dependent on local PDS shops, enhancing mobility and reducing reliance on specific locations for purchasing food grains.

**Dietary Diversity and Nutritional Status**: The beneficiaries have expanded choices with access to a wider variety of food grains from different states promoting dietary diversity, potentially improving nutritional intake and health outcomes. The enhanced access to

nutritious food items through ONORC contributed to improved health outcomes and reduced risk of nutritional deficiencies.

ONORC facilitates seamless access to subsidized food grains for migrant workers and their families across state borders, ensuring a more stable and consistent calorie intake. Increased access to food grains from different states through it also contributes to a higher overall calorie intake, as beneficiaries can diversify their food sources, access a wider range of food items, including fortified grains and pulses, which can contribute to improved micronutrient intake and overall health.

# **Challenges and Considerations:**

**Contextual Factors**: Food security outcomes are influenced by various contextual factors beyond ONORC, such as income levels, access to healthcare, and agricultural practices. These factors also contribute to the impact of ONORC on food security indicators.

**Long-term Impact**: While ONORC may lead to immediate improvements in food security indicators, assessing its long-term impact requires longitudinal studies and continuous monitoring of outcomes over time.

The implementation of ONORC in Punjab has resulted in significant improvements in the food security status of households, with enhanced access, mobility, and dietary diversity. While challenges may still exist, ONORC has played a crucial role in promoting food security, reducing dependency on local markets, and improving nutritional outcomes for households across Punjab. Continued monitoring and evaluation are essential to address any remaining challenges and ensure the sustained effectiveness of ONORC in enhancing food security in the region. Collective qualitative data on experiences with ONORC (One Nation One Ration Card) implementation in the state of Punjab can provide insights into the scheme's effectiveness, challenges faced, and any reported instances of fraud or irregularities. While specific data may vary, here's a summary based on anecdotal reports and qualitative assessments:

# **Positive Experiences:**

Enhanced Access and Convenience: Majority of the beneficiaries, both the migrants and non migrants, to whom the questionnaire was given or with whom interaction was done reported positive experiences with ONORC, citing enhanced access to subsidized food grains from Fair Price Shops (FPSs) across states. The migrant workers and their families especially have found ONORC to be convenient, as it eliminates the need to apply for separate ration cards in different states and streamlines the process of availing entitlements while reducing dependency on local ration shops and increased beneficiaries' mobility. It has not only allowed them to access entitlements when migrating for work outside the home state but also permitted the family members to draw the balance ration while staying back in the home state.

**Transparency**: The digitization of the ration card system under ONORC has introduced transparency and accountability, with beneficiaries having better visibility into their entitlements and transactions.

# **Challenges and Reported Instances of Fraud/Irregularities:**

**Technical Glitches**: Approx 30 percent of the beneficiaries interviewed/ interacted with have reported instances of technical glitches in the ONORC system, such as server downtime or issues with biometric authentication, leading to delays and disruptions in accessing entitlements.

**Fraudulent Practices**: During interaction with the Controller Food and Civil Supplies of SAS Nagar and the food Inspectors, there have been isolated reports of fraudulent practices, such as FPS owners tampering with biometric data or diverting subsidized food grains for personal gain however, such instances are relatively rare. The officials informed that strict penal action has been initiated against those and their dealership has been withdrawn.

**Infrastructure Constraints**: Limited digital infrastructure and connectivity issues in remote areas pose challenges to the smooth functioning of the ONORC system, affecting beneficiaries' ability to access entitlements seamlessly.

# **Community Perspectives:**

**Beneficiary Satisfaction**: Overall, the beneficiaries expressed satisfaction with ONORC, appreciating the scheme's efforts in addressing food security challenges and improving access to subsidized food grains. However, there are calls for further improvements, including addressing technical issues, enhancing awareness, and strengthening monitoring mechanisms to prevent fraud and irregularities.

**Empowerment**: ONORC is seen as empowering beneficiaries by giving them greater control over their entitlements and reducing barriers to accessing subsidized food grains, especially for marginalized communities and migrant workers.

Awareness and Education: The government has taken adequate measure to ensure education about the scheme to the beneficiaries particularly the portability feature to those who migrate outside the state for work. All the beneficiaries with whom interactions were done were aware of the scheme and also appreciated the efforts of the government in educating them about the features of the scheme. The FPS dealers of the district were also aware of the ONORC scheme and knew the trouble shooting of minor issues with the ePoS machines or failures of authentication for issue of rations to the beneficiaries.

Collective qualitative data on experiences with ONORC implementation in Punjab reflects a mixed picture, with many beneficiaries experiencing enhanced access and convenience, while facing challenges such as technical glitches and occasional instances of fraud. Continued efforts to address these challenges, improve awareness, and strengthen monitoring mechanisms are essential to realizing the full potential of ONORC in ensuring food security for all eligible beneficiaries in Punjab.

# Reduction in leakages and corruption in the Public Distribution System (PDS)

# **Before Implementation of ONORC:**

**Leakages and Diversion:** Before ONORC, leakages and diversion of subsidized food grains were reported in the PDS in Punjab, including Sahibzada Ajit Singh Nagar district. Instances of FPS owners diverting subsidized grains for resale in the open market or tampering with records to siphon off supplies were also reported.

**Corruption and Middlemen**: Corruption was facilitated by the presence of middlemen who exploited vulnerabilities in the system to engage in fraudulent activities. Bribery and kickbacks were reported in the distribution chain, influencing the allocation and distribution of food grains.

# **Post Implementation of ONORC**

**Digitization and Transparency**: The ONORC scheme has introduced digitization of the ration card system, leading to greater transparency in the allocation and distribution of subsidized food grains. Automation of processes reduced the scope for manual intervention, minimizing opportunities for corruption and leakages. Biometric authentication of beneficiaries under ONORC ensures that only eligible individuals receive subsidized food grains, reducing the potential for diversion or misuse. It creates a digital trail of transactions, enhancing accountability and deterring fraudulent activities.

Anecdotal Reports and Observations: Anecdotal reports suggest a reduction in leakages and diversion of subsidized food grains in Sahibzada Ajit Singh Nagar district after the implementation of ONORC. There are indications of decreased corruption in the PDS, with fewer instances of bribery and irregularities reported. Enhanced monitoring and enforcement mechanisms have been implemented in Sahibzada Ajit Singh Nagar district to curb leakages and corruption in the PDS. Authorities have taken steps to hold accountable those found engaging in corrupt practices, sending a strong message against malpractices.

# **Community Perspectives and Stakeholder Feedback:**

**Beneficiary Satisfaction**: Beneficiaries express satisfaction with the improved service delivery and transparency brought about by ONORC in Sahibzada Ajit Singh Nagar district. Increased trust in the PDS system is reported among beneficiaries, who feel assured that their entitlements are being protected and distributed fairly.

# **Equitable Distribution and Maximizing the Scheme's Impact.**

# **Disparities and Mitigation Strategies**

**Urban-Rural Disparities**: Rural areas face challenges in accessing ONORC benefits compared to urban areas due to limited infrastructure, including fewer Fair Price Shops (FPSs) and lower connectivity.

**Strategies**: Introduction of mobile FPS units may be considered to be introduced to reach remote rural areas, ensuring that marginalized communities have access to ONORC benefits.

**Digital Literacy Programs**: Conduct of digital literacy programs in rural areas may be increased and done on a regular basis to empower beneficiaries to use digital platforms for availing ONORC benefits.

**Gender Disparities**: Women face barriers in accessing ONORC benefits due to cultural norms, limited mobility, and lack of awareness about their entitlements.

**Strategies**: Targeted Women-Centric Awareness Campaigns may be conducted focused on educating them about ONORC benefits and their rights. Empowering them through self-help groups to advocate for their entitlements and access ONORC benefits collectively would also benefit them.

**Socio-Economic Disparities**: Low-income and marginalized communities have limited access to ONORC benefits due to socio-economic factors such as poverty, unemployment, and lack of documentation.

**Strategies**: Conduct of community outreach programs to identify and enroll eligible beneficiaries from marginalized communities should be undertaken on a regular basis. This will ensure the access of the scheme to the most vulnerable section of the society.

Geographic Disparities: Border regions and remote areas face challenges in accessing ONORC benefits due to geographical constraints and cross-border migration and different rules in different states. For example in the state of Punjab the ration is issued on a quarterly basis and for the state of Bihar and UP it is on monthly basis. Further the state of Bihar blocks the ration card not used for three months and in order to activate the card the

beneficiary requires visit to the concerned district where the card was made, causing difficulties for those who have migrated outside the state.

# **Strategies**:

Cross-Border Coordination: Cross border or interstate coordination is a must for ensuring that the scheme reaches its desired objective. The strengthening of relations and ironing out of all administrative hurdles between the states needs to be undertaken at the appropriate level and same needs to be ensured by the government officials at the helm of affairs. This will facilitate seamless access of ONORC benefits for migrant workers crossing state borders.

# **Stakeholder Perspective:**

**Government Officials**: Government officials highlight the efficiency gains achieved through ONORC, such as reduced leakages, improved targeting of beneficiaries, and streamlined administrative processes.

**Digital Transformation**: They emphasize the role of ONORC in driving digital transformation in the PDS, leading to greater transparency, accountability, and data-driven decision-making.

**Challenges**: Officials acknowledge challenges in ONORC implementation, such as technical issues, infrastructure constraints, and coordination with other states, and stress the need for continued improvement.

# **Areas for Improvement**:

**Capacity Building**: Enhancing the capacity of frontline workers and officials to effectively implement ONORC and address challenges as they arise.

**Inter-State Coordination**: Strengthening inter-state coordination mechanisms to ensure seamless portability of ration cards and entitlements across state borders.

**Feedback Mechanisms**: Establishing robust feedback mechanisms to solicit input from stakeholders and identify areas for improvement in ONORC implementation.

**Perspective of Ration Dealers**: Ration dealers highlight operational challenges faced in transitioning to the ONORC system, such as technical issues with Point of Sale (POS) devices, shortage of ePOS, power disruptions, delays in reimbursement by the government, and increased workload.

**Customer Satisfaction**: They emphasize the positive impact of ONORC on customer satisfaction, citing improved access to subsidized food grains and reduced complaints due to transparency in transactions.

**Financial Impact**: Ration dealers express concerns about the financial impact of ONORC, including potential revenue losses due to reduced leakages and tighter controls on diversion.

# **Areas for Improvement**:

**Training**: Providing comprehensive training and ongoing support to ration dealers to navigate the transition to ONORC and effectively manage new processes and technologies.

**Timely Reimbursement**: Ensuring timely reimbursement of subsidies to ration dealers to address financial concerns and incentivize compliance with ONORC guidelines.

**Communication**: Enhancing communication channels between government authorities and ration dealers to facilitate timely dissemination of information and address concerns in a collaborative manner.

**Recommendations**: Based on the findings of the impact assessment and considering the challenges identified in ONORC implementation in rural Punjab, here are evidence-based policy recommendations to enhance the effectiveness and reach of the scheme:

Inter-State Coordination: During the survey and interaction with the migrant ONORC beneficiaries who had migrated temporarily from Bihar and UP to the District of SAS Nagar, Punjab it was observed that few of them were unable to draw their entitlements as the issue of the rations were on a monthly basis in their home state and quarterly in the state of Punjab. Additionally few of the migrants who had not accessed their ration cards in the FPS for more than three months outside their home state had been blocked for non-usage by the home state. The remedial action was possible only by visiting the home state where the ration card was made. As the visit back home is tedious and financially not viable the

migrants were being deprived of their entitlements. Thus Inter-state coordination at the higher level for smoothening such issues is considered of paramount importance for facilitating seamless portability of ration cards and availing entitlements for migrant workers wherever they go for work outside their home state.

**Strengthening Digital Infrastructure**: More investment in improving digital infrastructure, including internet connectivity and electricity supply, is required in rural areas to ensure seamless operation of electronic Point of Sale (ePOS) devices and biometric authentication systems.

**Introduction of Mobile FPS Units:** Introduction of mobile FPS units would enable in reaching remote and underserved areas, ensuring that beneficiaries in marginalized communities have access to ONORC benefits without the need to travel long distances.

Community Engagement Programs Conduct of targeted outreach programs in collaboration with local community leaders and civil society organizations should be conducted more frequently to raise awareness about ONORC benefits, eligibility criteria, and enrollment procedures in the rural hinterland.

Women-Centric Awareness Campaigns: Specific awareness campaigns targeting women, who often play a central role in managing household food security, are required to be introduced in rural areas, to empower them to access ONORC benefits and advocate for their entitlements.

Capacity Building and Training: Provisioning of comprehensive training to frontline workers, including beneficiaries, ration dealers and government officials, on the implementation of ONORC, digital literacy, customer service, to familiarize them with the use of ePOS devices, biometric authentication, and grievance redressal mechanisms.

**Establishing Feedback Mechanisms**: Setting up of robust feedback mechanisms, such as toll-free helplines and online portals, to solicit input from beneficiaries, ration dealers, and other stakeholders and address issues and concerns in ONORC implementation promptly.

**Regular Monitoring and Evaluation**:- Implementation of regular monitoring and evaluation mechanisms to assess the effectiveness of ONORC in reaching eligible beneficiaries, reducing leakages and diversion, and improving food security outcomes in rural Punjab.

### **Conclusion**

Addressing disparities in access to ONORC benefits in Punjab requires a multi-faceted approach that considers geographical, gender, socio-economic, linguistic, and cultural factors. By implementing targeted strategies such as mobile FPS units, women-centric awareness campaigns, simplified enrollment processes, and multilingual outreach, policymakers and stakeholders can promote equity and ensure that all eligible beneficiaries have equal access to ONORC benefits. Continuous monitoring and evaluation are essential to assess the effectiveness of these strategies and identify areas for further improvement in reducing disparities in ONORC implementation.

Stakeholder perspectives on the effectiveness of ONORC and areas for improvement vary based on their roles, experiences, and priorities. By actively engaging with government officials, ration dealers, beneficiaries, and civil society organizations, policymakers can gain valuable insights into the challenges and opportunities in ONORC implementation and work collaboratively to address gaps, improve outcomes, and enhance the scheme's impact on food security and welfare in Punjab.

The implementation of ONORC in Punjab, particularly in Sahibzada Ajit Singh Nagar district, has not only contributed to reduction in leakages and corruption in the PDS but also enhanced transparency. The digitization, and biometric authentication which has played significant roles in minimizing opportunities for fraud and diversion of subsidized food grains. While challenges may persist, ongoing efforts to strengthen monitoring, enforcement, and community participation are essential for sustaining the gains achieved and further improving the integrity of the PDS in Punjab.

Overall, the implementation of ONORC in Punjab has the potential to positively impact food security indicators among rural households by improving dietary diversity, stabilizing calorie intake, and enhancing nutritional outcomes. Ensuring equity and

inclusivity in ONORC implementation in Punjab requires proactive measures to address the unique needs and challenges faced by marginalized groups such as women, dalits, and tribal communities. By promoting access, participation, and protection of rights, ONORC can contribute to advancing social justice and inclusive development in Punjab, ultimately improving food security and well-being for all residents, especially those who are most vulnerable and marginalized. Continued efforts in monitoring, evaluation, and community engagement are essential for sustaining and enhancing the equity and inclusivity of ONORC implementation over time.

By implementing these evidence-based policy recommendations, policymakers can enhance the effectiveness and reach of ONORC in rural Punjab, address identified challenges, improve service delivery, and ensure the equitable distribution of food grains to eligible beneficiaries. Continuous monitoring, evaluation, and stakeholder engagement are essential for refining policies and strategies to maximize the impact of ONORC on food security and welfare in the region.

## **MEGHALAYA**



**Interaction with District Collector Shillong** 

Meghalaya has an average per capita GSDP of Rs. 81,016 (2016-17 data) and is one of the poorest states in the country and the north-eastern region. Only five states- Assam, Bihar, Manipur, Jharkand and Uttar Pradesh have lower per capita GSDP than Meghalaya. In terms

of human development, the State ranked 26th on Human Development Index (HDI) for the year 2011. It ranks 7th amongst the eight North- Eastern States. The State Government has, over the last few years, been making concerted efforts at improving the quality of life of its citizens. In the last 8 years, poverty in the state has declined by 4.3 percent. In 2004-05, 16.1 percent of the State's population lived below the poverty line. This figure declined to 11.9 percent in 2011-12. The State has many unique strengths and opportunities that have to be leveraged upon to promote sustainable development. A salubrious climate conducive to agri-horticulture sectors and eco-tourism, untapped hydroelectric potential, human resources, forest resources, mineral resources and the social capital in the village communities are some of the key ones. Several high-value agriculture and horticulture crops viz., Strawberry, Ginger, Lakadong turmeric (with high curcumin content), Honey, Black Pepper and various exotic flowers (Anthurium, Carnation, different types of Orchids etc), as also Potato, Jackfruit, Pine Apple and Areca Nut are produced in large quantities. Further, most of State's agriculture and horticulture produce is naturally organic, with farmers using traditional methods of cultivation. The State's literacy rate at 75.5 percent in 2011 is higher than the national average<sup>13</sup>.

Meghalaya has a predominantly rural population, with a significant portion engaged in agriculture and allied activities. Rural areas in Meghalaya often have lower income levels compared to urban areas, with a reliance on agriculture and limited access to alternative livelihood opportunities. While there have been improvements, literacy rates in rural areas still lag behind urban counterparts, impacting awareness and participation in government schemes.

Access to healthcare facilities, especially in remote rural areas are limited, affecting the overall health and well-being of the population. Basic infrastructure such as roads, electricity, and telecommunications are not well-developed in some rural areas, affecting accessibility and connectivity.

#### Structure of the Public Distribution System (PDS) in Meghalaya:

Ration Card System: The PDS in Meghalaya operates through a ration card system, with eligible households issued cards based on their socio-economic status. Essential commodities are distributed through Fair Price Shops at subsidized rates to ration

cardholders. These FPS are operated by licensed dealers. The PDS typically provides essential commodities like rice, wheat, sugar, and kerosene at subsidized rates to beneficiaries. The government provides subsidies to maintain the affordability of essential commodities for the economically disadvantaged sections of society.

### **Existing Challenges Related to Food Security:**

**Geographical Terrain**: Meghalaya's hilly terrain and remote locations pose logistical challenges in the distribution of food grains, leading to delays and sometimes inadequate supply to rural areas.

**Corruption and Leakages**: Instances of corruption and leakages in the PDS system have been reported resulting in the deprivation of eligible beneficiaries of their entitled food grains, leading to food insecurity.

**Limited Food Diversity**: The PDS primarily focuses on providing staple grains, but there is a lack of diversity in food items distributed, impacting nutritional adequacy, especially in rural areas. As per the survey conducted and interactions with the beneficiaries in the rural areas it was observed that only rice is being provided.

**Dependency on Monsoon**: Agriculture being a primary livelihood in Meghalaya, dependency on monsoon rains for crop cultivation exposes rural communities to the risk of food insecurity especially during periods of drought or erratic rainfall.

**Storage and Infrastructure**: There also inadequate storage facility available in rural areas which many a time leads to wastage of food grains and inefficiencies in distribution.

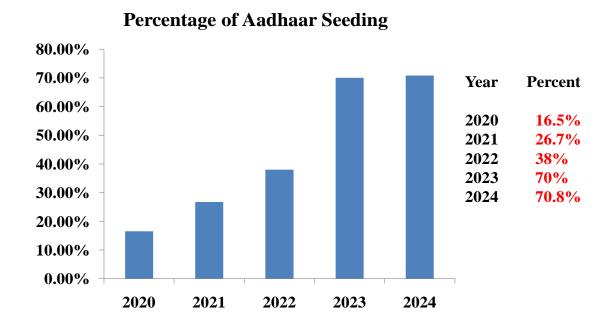


Focused Group Discussion with beneficiaries and stakeholders of village 'Wahlyngkhat' Pynursla CR&D Block, East Khasi Hills Distt, Meghalaya

**Extent of Coverage**: The ONORC scheme aims to enable portability of ration cards and access to Public Distribution System (PDS) benefits across states. In rural Meghalaya, including the East Khasi Hills district, the scheme is being gradually implemented to cover eligible beneficiaries. Efforts are made to identify and enroll eligible households in the ONORC scheme, ensuring that rural populations, especially those in remote areas, are included in the coverage. At present (March 24) the Aadhaar seeding with ration cards in the district is approximately **65.34 percent** and in the entire state it is **70.8 percent** and likely to increase owing to the extensive outreach efforts of the government.

# Aadhaar Seeding in the state of Meghalaya WEF 2020 -2024 (70.80% seeding as on date)

Figure 10: Representation Of Aadhaar seeding in Meghalaya



Source: Deptt of Food Civil Supplies and Consumer Affairs, Govt Of Meghalaya

**Awareness Campaigns**: Regular awareness campaigns and outreach programs are conducted by Government authorities in rural areas to inform residents about the ONORC scheme and facilitate their enrollment.

Enrollment Challenges: Despite efforts, enrollment rates in rural Meghalaya, including the East Khasi Hills district face challenges due to factors such as lack of awareness, logistical difficulties in reaching remote areas, and technological barriers for Aadhaar seeding. During the visit to one of the Villages namely Wahlyngkhat, in Pynursla Community And Rural Development (C & RD) block in the East Khasi Hill district and interactions with the

Village Employment Council (VEC) officials and the villagers, the reason for less enrollment and the delay is also because of the locals especially the elders in the villages are superstitious and reluctant to share their personal data viz biometrics publically as it goes against their traditions and they feel that some wrong may happen to them.

**Technological Infrastructure**: Limited access and poor internet connectivity and technological infrastructure in rural areas hinder the smooth functioning of the ONORC system, including real-time authentication of beneficiaries.

**Inter-State Coordination**: Ensuring seamless portability of ration cards across states requires effective coordination between different state governments and their respective PDS systems, which may encounter administrative challenges. However during the interactions with the C&RD block and VEC members it was observed that there are negligible inter-state migrants in the state, however there were few intra district and intrastate migrants who were benefited by the portability of the ration card.

**Last-Mile Delivery**: The effective delivery of PDS benefits to the last mile in rural areas, particularly in hilly and remote regions of East Khasi Hills district, poses logistical challenges, including transportation and distribution of food grains.

**Infrastructure and Connectivity**: Limited infrastructure, including storage facilities and connectivity, in rural areas impact the timely distribution of food grains and the overall effectiveness of the ONORC scheme.

# Assessment of the availability and functionality of electronic Point of Sale (ePOS) devices in ration shops

The introduction of electronic point of sale (e-PoS) has helped in the glitch-free implementation of the Public Distribution System in the state. e-PoS, which is a state initiative, helped the department by ensuring that each NFSA beneficiary transacting with FPS dealers is captured and authenticated whenever a beneficiary comes for the monthly allocation of foodgrains. The e-PoS transactions are uploaded to the portal for monitoring and ensuring that rightful beneficiaries are getting their share of foodgrains. As per the latest records held with Department of Food and Civil Supplies and Consumer Affairs, there are currently 4578 FPS in the state out of which 4540 FPS are currently ePOS

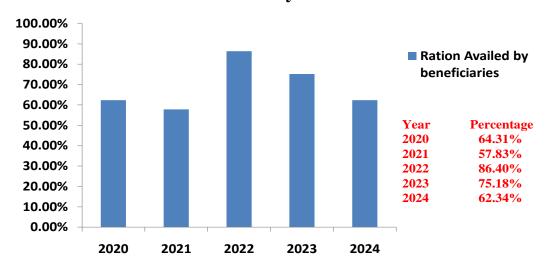
enabled taking the percentage to approximately 99%. A total of 70.80% of Aadhaar seeding has been achieved in the state ie out of a total of **555367** ration cards **3,88,757** have been seeded. Most of the beneficiaries are the intra-district migrants and the non-migrants and there are very few beneficiaries from other states as there were only 12 interstate transactions recorded in the month of January 24. With regard to the East Khasi Hill District where the survey was undertaken it was observed that out of a total of 923 FPS, 900 were ePOS enabled taking the percentage of ePOS enabled FPS to 97 percent.

The Food Civil Supplies and Consumer Affairs Department has also digitised the data of districts, wholesalers, FPS and beneficiaries. This has helped the department have a computerised supply chain management, which is ensuring transparency and efficiency. However, poor internet connectivity and frequent power cuts are the hurdles in the state, especially in remote areas. The source said that officials are aware of the weak internet and that is the reason why the e-PoS devices can work both in online and offline modes.

Regarding the frequent power cuts, the e-PoS devices in the state have a battery backup of at least three days when fully charged. Also, the foodgrain distribution cycle is from the 15th to the 30th of every month. Hence, the issue of power cuts has a minimal effect on operating the e-PoS devices.

Figure 11: Representation of Ration availed by beneficiaries in Meghalaya

Ration Availed by beneficiaries



Source : Deptt of Food Civil Supplies and Consumer Affairs, Govt Of Meghalaya

As of last update in January 2024, the level of awareness about the One Nation One Ration Card (ONORC) initiative in Meghalaya is found varing across different segments of the population. In the urban areas and some rural areas of the East Khasi Hills district, the awareness was found almost 100 percent. All of the beneficiaries and local villagers interviewed and interacted with knew about the scheme. However the people residing in the far flung areas of the same district remain unaware and did not avail the benefits of the scheme. According to a government survey there are around 25-30 percent people in rural and far flung areas who are unaware of the scheme and as per the latest records the seeding is as low as 26.13 percent in few villages, though the seeding of the state is at 70.8 percent. Additionally, the level of digital literacy among the population is very low and is actually one of the main reasons which has impacted awareness about ONORC. Some of the initiatives that have influenced are:

Government Initiatives: The Meghalaya government, through various departments such as the Department of Food, Civil Supplies, and Consumer Affairs, have undertaken awareness campaigns to educate citizens in rural and far flung areas about the ONORC. A toll free number 1967 has been provided for grievance redressal and for any issues pertaining to the ONORC in the state. Few other initiatives include disseminating information through, pamphlets, outreach programs. advertisements, community/ nukkad nataks, door to door visits by Village Employment Committee (VEC) members etc. Awareness is also spread through quarterly meetings held with the beneficiaries, FPS dealers and members of the Village vigilance committees. Discussions are also done for improving the PDS food grains to the beneficiaries. The Panchayats also play an important role in implementation and monitoring of the scheme. They certify the right quantity and quality of the foodgrains are received by the FPS dealers from the whole sellers and that the beneficiaries receive their entitled foodgrains. Further they certify the utilization of the food grains and submit a report to the SDO(supply) on monthly basis and conduct quarterly meetings with regard to the distribution.

Media Coverage: The government has undertaken coverage of ONORC in vernacular media including newspapers, television channels, and radio programs play a significant role in raising awareness among the general public residing in far flung rural areas. Positive media coverage and public interest stories have helped in spreading awareness about the benefits and implementation of ONORC. Local authorities, NGOs, community organizations, and self-help groups have also been involved in raising awareness about ONORC at the grassroots level. Community meetings, workshops, and door-to-door campaigns are also being undertaken for spreading information about the initiative.

#### **Food Security**

Food security is a situation where people have physical, social and economic access to sufficient, safe and nutritious food that meets their dietary needs and food preferences for an active and healthy life. Food security depends on four dimensions: **availability**, **access**, **utilization and stability**. The ONORC initiative has the potential to significantly impact food security indicators in rural households across Meghalaya, including dietary diversity, calorie intake, and nutritional outcomes. According to the latest available data from the National Family Health Survey (NFHS-5), Meghalaya has a high prevalence of food insecurity, as indicated by the following indicators:

29.3 percent of households have inadequate food consumption, which means they consume less than the minimum dietary diversity and frequency recommended by the World Health Organization.

36.4 percent of children under 5 years are stunted, which means they have low height for their age due to chronic undernutrition.

16.1 percent of children under 5 years are wasted, which means they have low weight for their height due to acute under nutrition.

9.5 percent of children under 5 years are severely wasted, which means they have very low weight for their height and are at risk of mortality.

29.8 percent of women aged 15-49 years are anemic, which means they have low levels of hemoglobin in their blood due to iron deficiency or other causes.

The implementation of ONORC in Meghalaya has had some positive impacts on food security, such as:

- Improving the access and availability of subsidized food grains for migrant workers and their families, who can now claim their entitlements from any FPS in the country.
- Reducing the leakage and diversion of food grains in the public distribution system, by ensuring biometric or Aadhaar authentication of beneficiaries.
- Enhancing the transparency and accountability of the FPS dealers, by allowing the beneficiaries to choose their own dealer and switch to another FPS shop instantly, if there is any case of foul play.



Interaction with beneficiaries and stakeholders of East Khasi Hills District

## Analysis of potential effects of the ONORC scheme:

**Dietary Diversity**: ONORC has enhanced dietary diversity by providing rural households in Meghalaya access to a wider range of food items available through the Public Distribution System (PDS). Previously, logistical challenges had limited the variety of food items accessible to households, particularly in remote areas. With ONORC, families now have access to their entitled rations from any Fair Price Shop (FPS) across the country, potentially increasing the diversity of their diet. This increased access to a variety of food items have lead to a more balanced and nutritious diet.

Calorie Intake: Improved access to the PDS via ONORC have contributed to better calorie intake among rural households in Meghalaya. Migrant workers and their families, who frequently move between states for employment, often faced difficulties in accessing their entitled rations due to administrative barriers. ONORC eliminates these hurdles, ensuring that families can obtain their ration entitlements irrespective of their location. This stability in food supply can help mitigate fluctuations in calorie intake, particularly during lean periods when households might struggle to afford sufficient food.

**Nutritional Outcomes**: While ONORC can positively impact calorie intake, its effect on nutritional outcomes such as micronutrient intake and overall nutritional status may require additional considerations. The PDS primarily provides staple food items like rice, wheat, and pulses, which form the foundation of the diet but may not address all nutritional deficiencies. However, by ensuring a stable supply of these staples, ONORC frees up household resources that can be redirected towards purchasing more nutrient-rich foods like fruits, vegetables, and protein sources. Moreover, awareness programs and nutritional education initiatives can complement ONORC implementation to promote healthier dietary choices and improve overall nutritional outcomes among rural households in Meghalaya.

However challenges such as infrastructure limitations, administrative hurdles, and awareness gaps hinder the full realization of ONORC's potential impact on food security indicators in Meghalaya. Continuous monitoring, evaluation, and targeted interventions can help address these challenges and optimize the effectiveness of ONORC in improving dietary diversity, calorie intake, and nutritional outcomes among rural households in the state.

### **Challenges and Barriers**

Implementing ONORC in rural Meghalaya faces several challenges, such as:

**Technological barriers**: ONORC requires biometric or Aadhaar authentication of beneficiaries at the FPS, which depends on the availability and functionality of electronic point of sale (ePoS) devices, internet connectivity, and electricity supply. However, most of the rural areas in Meghalaya especially the East Khasi district where the survey was undertaken, lack these basic infrastructures, or face frequent disruptions and breakdowns. Moreover, many beneficiaries do not have Aadhaar cards, and many face issues with biometric mismatch or verification failure.

**Infrastructure constraints**: ONORC also requires a smooth and timely supply of food grains to the FPS, which depends on the quality and accessibility of roads, transportation, and storage facilities. However, Meghalaya has a hilly terrain with very severe slopes, and experiences heavy torrential rainfall, which makes it difficult to transport and store food grains in rural areas. Moreover, some FPS are located far away from the beneficiaries'

residence, and face stock-outs or irregular opening hours, which reduces the convenience and availability of ONORC.

Administrative issues: ONORC also requires a robust and transparent system of monitoring, grievance redressal, and coordination among different stakeholders, such as the central and state governments, the FPS dealers, and the beneficiaries. However, during the interaction with the beneficiaries of the East Khasi Hill district and upon stduying their answers to the questionnaire it came to light that there are big gaps and delays in the sharing of data and information, the allocation and distribution of food grains, and the resolution of complaints and disputes. Moreover, there were reported cases of corruption, leakage, or diversion of food grains in the public distribution system, which undermined the effectiveness and accountability of ONORC<sup>14</sup>.

Therefore, to overcome these challenges, it is necessary to improve the technological, infrastructural, and administrative capacities and systems in rural Meghalaya, and to ensure the awareness and participation of the beneficiaries and other stakeholders in the implementation of ONORC.

#### **Socio Economic Factors**

The uptake of ONORC among migrant communities in Meghalaya is highly influenced by various socio-cultural factors, such as:

Ethnic Identity and Conflict: Meghalaya is a state with a diverse ethnic composition, with the indigenous tribes of Khasi, Garo and Jaintia forming the majority, and the non-tribal communities of Bengali, Nepali, Bihari, Assamese and others forming the minority. There have been instances of ethnic violence, conflict and politics in the state, fueled by issues of land distribution, illegal migration, religion and political autonomy. Migrant communities may face discrimination, hostility, or exclusion from the indigenous tribes, who may perceive them as a threat to their culture, identity and resources. This may affect their willingness or ability to avail ONORC in Meghalaya<sup>15</sup>.

Language and Literacy: Meghalaya has more than 75 percent literacy rate and multiple languages are spoken by different ethnic groups, such as Khasi, Garo, Jaintia, Bengali,

Nepali, Hindi, English and others. Migrant communities may face language barriers in communicating with the Fair Price Shop dealers, the local authorities, or the biometric or Aadhaar devices. Moreover, migrant communities have low levels of literacy and education, which also limits their awareness and understanding of ONORC and its benefits.

**Food habits and Preferences**: Meghalaya has a rich and diverse culinary culture, with different ethnic groups having their own food habits and preferences. Migrant communities have different dietary needs and tastes from the indigenous tribes, and do not find the food grains supplied through ONORC suitable or sufficient for their consumption<sup>1</sup>. In the interactions with the migrants it was observed that the migrant communities prefer to buy food from the local markets or vendors, where they can find more variety and quality of food items. Therefore this affects their demand and satisfaction of ONORC in Meghalaya. Therefore, to increase the uptake of ONORC among migrant communities in Meghalaya, it is necessary to address these socio-cultural factors, and to ensure the inclusion, participation and empowerment of the migrants in the scheme<sup>16</sup>.

The effectiveness of ONORC and areas for improvement in Meghalaya can be assessed by incorporating the perspectives of various stakeholders, such as:

Government Officials: The government officials have a positive perspective on ONORC, as it has the potential to improve the transparency and accountability of the public distribution system, reduce the leakage and diversion of food grains, and enhance the portability and convenience of ration cards. However, they also face some challenges in implementing ONORC, such as the lack of adequate infrastructure, technology, and manpower, the coordination and cooperation among different departments and agencies, the awareness and participation of the beneficiaries and dealers, and the socio-cultural and geographical factors that affect the demand and supply of food grains.

**Ration Dealers**: The ration dealers are the frontline service providers of ONORC, who operate the Fair Price Shops and deliver the food grains to the beneficiaries, using biometric or Aadhaar authentication. The ration dealers may have a mixed perspective on ONORC, as it can increase their customer base and income, reduce their dependency on local authorities, and allow them to choose their own suppliers. However, during interaction they admitted of

facing some difficulties in serving the portability customers, such as the failure or breakdown of ePoS devices, internet connectivity, or electricity supply, the fluctuation or shortage of food grain stocks, the delay or discrepancy in payments or claims, and the dissatisfaction or dispute with the beneficiaries.

Beneficiaries: The beneficiaries are the ration card holders who are entitled to receive subsidized food grains under the National Food Security Act, through ONORC. The beneficiaries have a favorable perspective on ONORC, as it can enable them to access their food entitlements from any Fair Price Shop in the country, especially if they are migrant workers or their families, who move across states for work or other reasons. However, they also encounter some barriers in availing ONORC, such as the lack of awareness or information about the scheme, the unavailability or mismatch of Aadhaar cards or biometrics, the distance or accessibility of Fair Price Shops, the quality or quantity of food grains, and the socio-cultural or dietary preferences or habits.

Civil Society Organizations: The civil society organizations are the non-governmental actors who work for the welfare and empowerment of the marginalized and vulnerable sections of the society, such as the poor, the women, the children, the elderly, the disabled, the tribal, and the migrant communities. The civil society organizations have a supportive perspective on ONORC, as it can enhance the food security and nutrition of the beneficiaries, especially during the times of crisis or distress, such as the COVID-19 pandemic, the natural disasters, or the economic shocks. However, they also have some concerns or suggestions for improving ONORC, such as the inclusion and coverage of the eligible and needy beneficiaries, the protection and promotion of the rights and interests of the beneficiaries and dealers, the participation and consultation of the stakeholders in the design and implementation of the scheme, and the integration and complementarity of ONORC with other social protection and welfare schemes.

Based on the findings of the impact assessment of implementation of ONORC in Meghalaya, some of the policy recommendations to enhance the effectiveness and reach of ONORC in rural areas of Meghalaya are:

## **Policy Recommendations:**

- **Improve Awareness:** Increase awareness about the ONORC scheme among the rural population through local language campaigns, workshops, and community meetings.
- **Strengthen Infrastructure:** Improve the digital infrastructure and connectivity in rural areas to ensure smooth functioning of the ONORC system.
- **Enhance Training:** Provide adequate training to Fair Price Shop (FPS) owners and other stakeholders involved in the implementation of ONORC<sup>17</sup>.
- **Inclusive Approach:** Adopting a participatory and inclusive approach, involving the local communities, civil society organizations, and other stakeholders, to ensure the accountability and responsiveness of the service providers and the satisfaction and empowerment of the beneficiaries.

## **Measures to Address Challenges:**

**Enrollment** Leveraging the existing infrastructure and networks of other government schemes and programs, such as MGNREGA, PMAY, PM-KISAN, etc., to reach out to the potential and existing beneficiaries and facilitate their enrolment and access to ONORC.

**Address Documentation Issues:** Simplify the process of obtaining necessary documents for low-income households to apply for a ration card.

**Improve Accessibility:** Ensure that all villages in the constituencies are visited by the representatives to understand the ground-level challenges and address them effectively.

**Strengthening Aadhaar Seeding**: Implementing measures for providing alternative modes of identification and verification for those who do not have Aadhaar or face biometric failures for strengthening the Aadhaar seeding and authentication process for the beneficiaries.

**Implement Integrated Digital Service System:** Implementation of an integrated digital service system in the governance process will help improve the service delivery.

#### **Ensuring Equitable Distribution:**

**Monitor Distribution:** Regular monitoring and auditing of the distribution process can help in identifying discrepancies and ensuring that the food grains are reaching the intended beneficiaries.

**Leverage Technology:** Use of technology to track the distribution of food grains and ensure transparency in the system.

**Strengthening Grievance Redressal Mechanisms:** Establish robust grievance redressal mechanisms to address any issues faced by the beneficiaries <sup>18</sup>.

**Inter State Cooperation**: To coordinate and collaborate with other States/UTs for seamless portability of ration cards and sharing of data and best practices.

**Functionality Of ePOS**: In order to ensure effective and smooth functioning of the ONORC scheme and the portability it is important that the availability and functionality of ePoS devices at all FPSs is maintained. Further provisioning of adequate training and incentives to the FPS dealers and staff for smooth and transparent operations is also considered essential.

# अप्राप्यं नाम नेहास्ति धीरस्य व्यवसायिन

"There is nothing unattainable for a determined person.".

# Chapter 5

# **Findings and Summary**

#### **Introduction:**

Having analysed the One Nation One Ration Card scheme and its implementation through the available literature along with discussions and interactions with the government officials responsible for implementation, a field survey was conducted for ascertaining the impact of the scheme on ground with regard to the beneficiaries residing in the rural areas and those migrating to other states in search of better employment opportunities. Since the scheme is a PAN India scheme, sample states of Punjab and Meghalaya were considered for the study.

Two important districts of the respective states were taken for the field survey namely SAS Nagar (Mohali) in Punjab and East Khasi hills in Meghalaya. A questionnaire was provided to the respondents in the respective districts for getting a real time response. Separate questionnaires were prepared and sent to the Government officials handling the implementation and smooth functioning of the scheme, the respective state government officials handling the Public Distribution System (PDS), the FPS dealers and the beneficiaries. The key parameters that were considered for collating and analyzing the data to enable a perspective at the district and state level for formulating recommendations to improve the effectiveness of the scheme were as follows:

- Awareness and subscription of the scheme
- Impact on Food Security
- Accessibility
- Socio Economic Factors
- Beneficiary satisfaction

- Last Mile delivery
- Challenges and Difficulties
- **Grievance redressal**
- Feedback

#### **Analysis and Findings**

The survey questionnaire forms were specifically designed for random sampling of the beneficiaries, PDs officials and FPS dealers of both the districts of the respective states. The migrant population of Punjab as per the **2016 survey** has been assessed to be approximately **39 lakhs** which has now increased to **43 lakhs**. The migrant population for the state of Meghalaya is estimated to be 25% of their population which is approximately **8 lakhs**. The migrant population mostly includes the intra state and intra district migration.

The confidence of the survey has been kept at 90% due to the randomness of the issues and paucity of the resources, the margin of error at 0.5%, the Z score at 1.65 and the standard deviation at 0.5. The sample size calculated for the purpose of the survey was 75 each for both the states. The various facets of the scheme have been recorded as part of the responses received from the respondents which included the beneficiaries, the Government officials handling the implementation of the scheme, the state government PDS officials and the FPS dealers. A total of 57 beneficiaries, 5 FPS dealers and 5 each, state PDS and government officials responded in the state of Meghalaya. A total of 61 beneficiaries, 6 FPS dealers, 5 PDS officials of the district and 5 officials handling the implementation responded in the state of Punjab.

The beneficiaries were subjected to generic questions for getting an insight into the efficacy of the scheme and the government's efforts on ground. The questions mostly pertained to their age, educational level, employment, level of awareness of the scheme and whether they have utilized the scheme at any point of time and if yes, any difficulties faced. The responses of the beneficiaries to the questions have been exhibited pictographically below for better assimilation and understanding. The very first query was pertaining to their age and in Punjab out of a total of 61 beneficiaries who responded 30 percent were between

18-35 years, 50 percent were in the age group of 36-45 years and remaining 20 percent were more than 46 years. Whereas in Meghalaya 20% were between the age group of 18-35 years, 40% were between 36-45 years and beyond 45 years as well.

■ 18-35 yrs : 30 %
■ 36-45 yrs: 50 %
■ > 45yrs: 20 %

Figure 12: Age Group Of Beneficiaries in Punjab

Source: 49th APPPA field survey

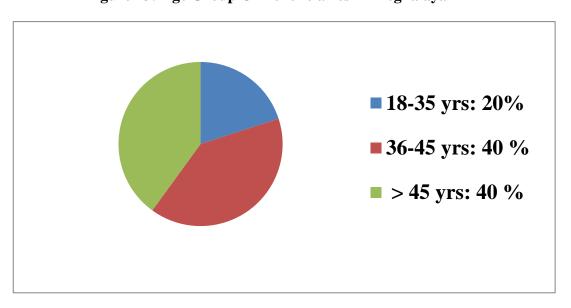


Figure 13: Age Group Of Beneficiaries in Meghalaya

Figure 14: Education level of Beneficiaries in Punjab

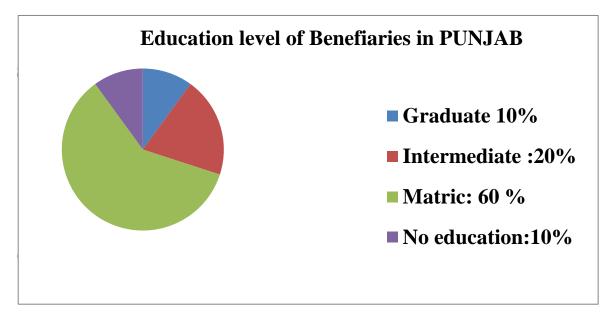


Figure 15: Education level of Beneficiaries in Meghalaya

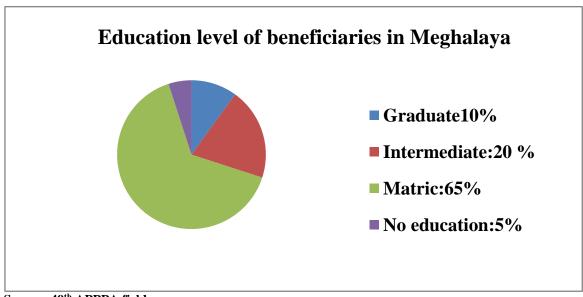


Figure 16: Employment of Beneficiaries in Punjab

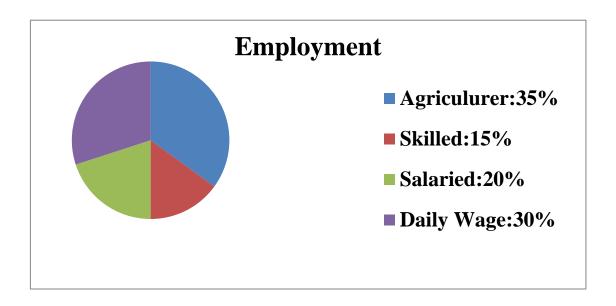


Figure 17: Employment of Beneficiaries in Meghalaya

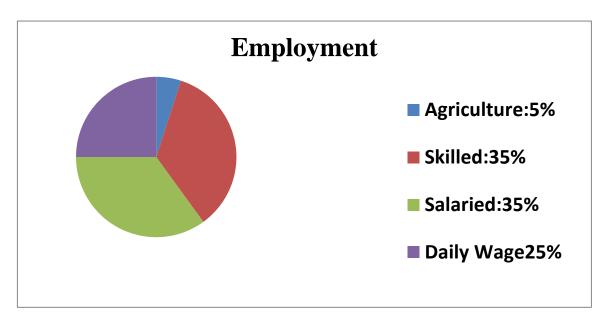


Figure 18: Awareness of ONORC In Punjab

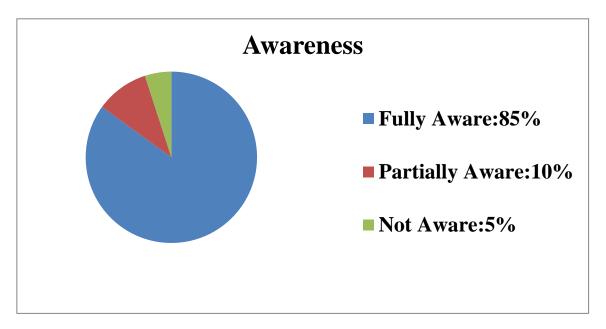


Figure 19: Awareness of ONORC In Meghalaya

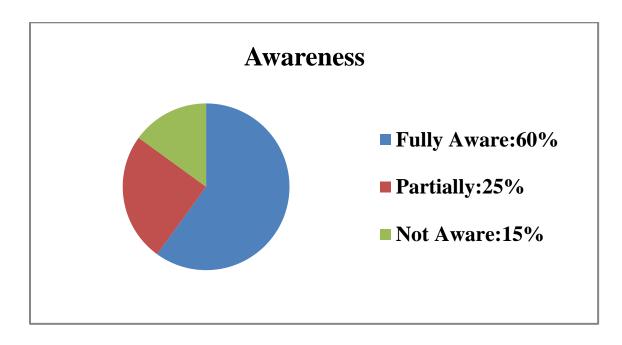


Figure 20: Possession of ONORC In Punjab

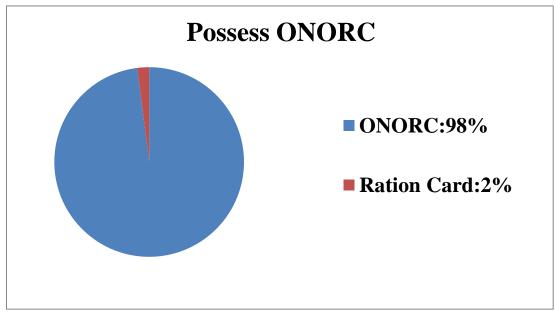


Figure 21: Possession of ONORC In Meghalaya

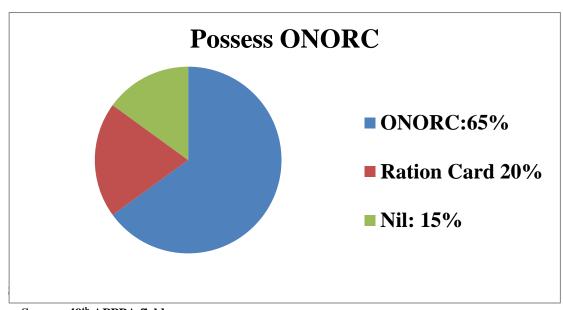


Figure 22: Used Portability In Punjab

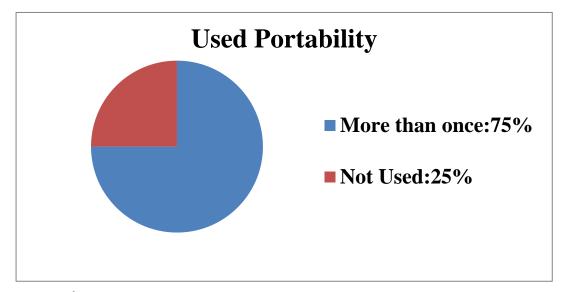
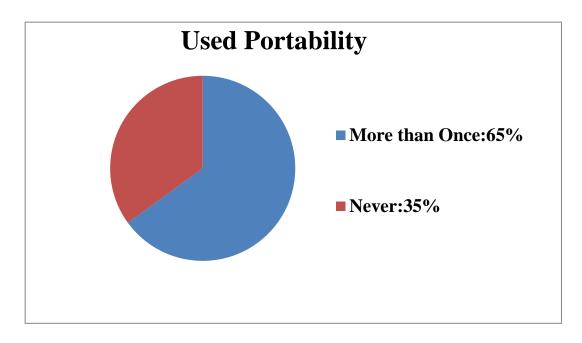


Figure 23: Used Portability In Meghalaya



• Satisfaction Levels for Punjab: Out of the respondents who were interviewed for their satisfaction levels with the scheme, 35 percent were fully satisfied, 25% were satisfied, 20% were partially satisfied, 15% were somewhat satisfied and 15 % were not satisfied.

Satisfaction levels For Punjab

Fully Satisfied 35%
Satisfied 25%
Partially Satisfied 20%
Somewhat Satisfied 5%
Not Satisfied 15%

Figure 24: Satisfaction Levels of the Scheme In Punjab

Source: 49th APPPA field survey

• Satisfaction Levels for Meghalaya: Out of the respondents who were investigated for their satisfaction levels with the scheme, 20 % were fully satisfied, 20% were satisfied, 25% were partially satisfied, 05% were somewhat satisfied and 30 % were not satisfied.

Satisfaction Levels for Meghalaya

Fully Satisfied 20%

Satisfied 20%

Partially Satisfied25%

Somewhat Satisfied 5%

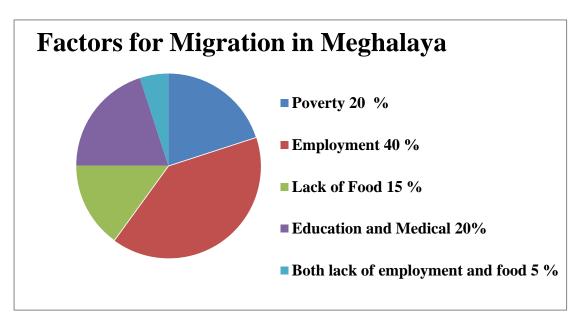
Not Satisfied 30 %

Figure 25: Satisfaction Levels of the Scheme In Meghalaya

### • Factors and reasons for Migration:

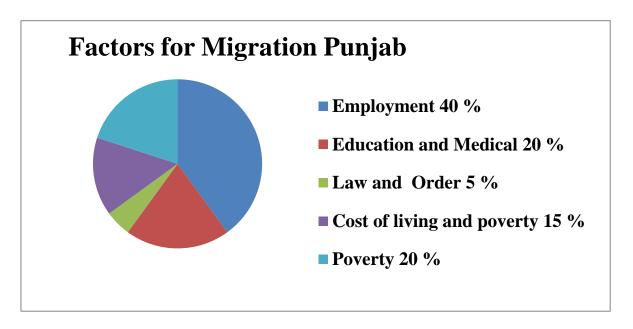
In Meghalaya people migrated within the state and outside the state mostly due to socio- economic factors. 40 percent due to lack of employment opportunities, 20 percent due to poverty, 15 percent due to lack of food, 20 percent for education and medical reasons and 5 percent due to both lack of employment and scarcity of food. The **in migration** to the state was almost **negligible**.

Figure 26: Factors for Migration in Meghalaya



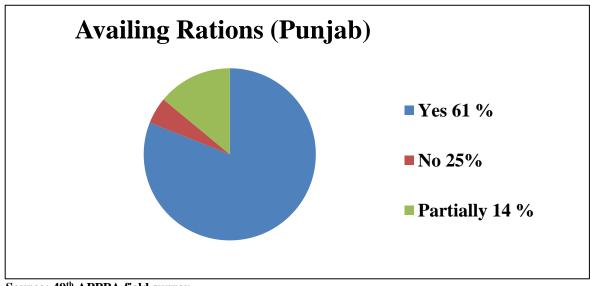
In Punjab the dynamics were slightly different due to its culture, opportunities which the place offered. Majority of the people who migrated to Punjab were from UP and Bihar and few were from West Bengal, Odisha and Jharkhand. In Punjab, in addition to people also migrated within the state few of them also migrated outside the state. The in and out migration in Punjab was due to various factors which included the socio economic, the law and order, the cost of living, availability of basic and higher education, government schemes. As per the survey undertaken the breakup of the main reasons of migration from outside states to Punjab were 40 percent due to lack of employment opportunities, 20 percent due to poverty, 20 percent due to education and medical, 5 percent due to law and 15 percent due to cost of living, poverty and education.

Figure 27: Factors for Migration Punjab



• Availing Entitled Rations from FPS: In order to assess the impact of the scheme, the survey with regards to beneficiaries availing the facility of the scheme was undertaken in both the states.

**Figure 28: Availing Rations (Punjab)** 



Availing Rations (Meghalaya)

• Yes 61 %

• No 22%

• Partially 17 %

Figure 29: Availing Rations (Meghalaya)

**Ease of operating:** Responses of beneficiaries with regard to their understanding and ease of usage of the system was also taken, with parameters as very easy, easy, difficult or not understood. The pictographic responses are enumerated below.

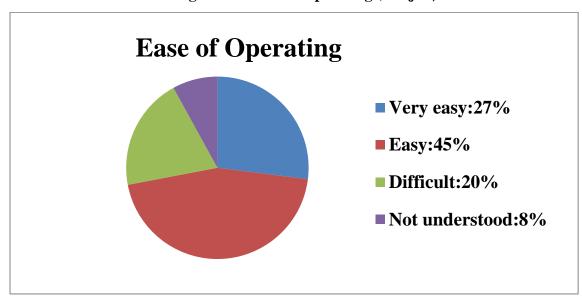
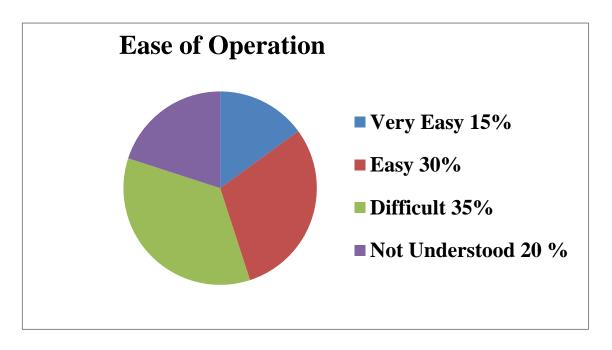


Figure 30: Ease of Operating (Punjab)

Figure 31: Ease of Operating (Meghalaya)



**Mode of Identification:** A response for mode of Identification was taken from the respondents of both the states. The responses are depicted pictographically:

Mode of Identification

Finger impression 80%

Iris Scan 5%

OTP:5%

Physical Identification 10%

Figure 32: Mode of Identification (Meghalaya)

Source: 49th APPPA field survey

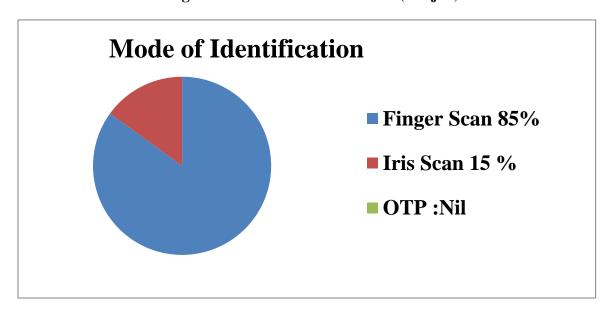


Figure 33: Mode of Identification (Punjab)

#### **Summary**

Having carried out the detailed analysis of the various facets of the Impact assessment of the ONORC in rural areas, analysis of the Questionnaire based field survey for the data with respect to the actual impact on ground, interactions with the FPS dealers, the PDS officials, the government officials handling the implementation and monitoring the scheme, the summarized findings pertaining to the implementation and the impact it has had on ground with reference to the **Research Questions** are as follows:

The ONORC scheme was implemented by the government to ensure inclusivity, food security and support migrant workers across the country regardless of their location. Implemented under the National Food Security Act (NFSA), the scheme enables nationwide portability of ration cards, allowing beneficiaries under the NFSA to access their food grain entitlements from any Fair Price Shop (FPS) in India

Introduced by the Government of India in the year 2020, with an aim to address the difficulties of migrants, especially the portability of ration cards, the One Nation One Ration Card (ONORC) plan is an ambitious endeavor of the Government of India to ensure uninterrupted and seamless food security of about **80 Crore** beneficiaries, entitled to 'Right to Food' by the country's unique legislation enacted by the Parliament of India in the year 2013 namely — 'The National Food Security Act, 2013' or NFSA, anywhere in India through nation-wide portability of their ration cards. The said Act provides legal entitlement to adequate quantity of quality foodgrains (rice, wheat, and nutria-cereals) to approximately 2/3rd of India's population every month as mentioned above, by distributing almost 520 Lakh Metric Tons of foodgrains (monthly about 43 LMT under normal NFSA-PDS) from a network of almost 5.3 Lakh Fair Price Shops (Ration Shops) spread across the country and operated by the respective State Governments/ Union Territory Administrations.

The scheme involves the integration of state-level PDS systems with a central system through Aadhaar seeding and ePoS (Electronic Point of Sale) devices at FPSs. With the implementation of the scheme, the Migrant workers and their families now can draw their entitled food grains from anywhere in India from any ePoS-enabled FPS in the country. This portability is particularly beneficial for those who move to different states for work. The

scheme also enables the family members of the person who remains at their hometown to draw the balance rations for the nearby FPS.

All eligible ration card holders or beneficiaries covered under NFSA are entitled to the benefits of the ONORC scheme. Beneficiaries can quote either their ration card number or Aadhaar number at any FPS dealer across the country. Aadhaar authentication can be done using fingerprints or iris-based identification.

### What is the conceptual framework and rationale behind the ONORC scheme?

Based on the analysis and findings, the genesis of the ONORC initiative lies in the statutory obligation of the Central and State/UT Governments under the National Food Security Act, to ensure the regular availability and accessibility of highly subsidized/free foodgrains to all 80 Crore NFSA beneficiaries in the country, every month, anywhere i.e. in any part of the country, through the same existing ration card, irrespective of the ration card issuing and foodgrains distributing Government/ Authority.

Thus, nation-wide portability of the ration cards under the ONORC plan is an attempt of the Government of India to provide an avenue to all States/UTs to seamlessly deliver the national food-security entitlements i.e. food grains or equivalent cash subsidy (a mechanism implemented in two UTs) without any hassles to the beneficiaries/households, anywhere in India through their same existing ration cards without the need to surrender existing ration card and reapply/reobtain a new ration card at the place/district/state of migration.

# What is the impact of ONORC in rural areas, especially in terms of food security

The One Nation One Ration Card (ONORC) plan is the endeavor of the Government to ensure uninterrupted and seamless food security of about **80** Crore beneficiaries, covering up to 75 percent of the rural and 50 percent of urban population, entitled to 'Right to Food' by the country's unique legislation enacted by the Parliament of India in the year 2013 namely – 'The National Food Security Act, 2013' or NFSA, anywhere in India through nation-wide portability of their ration cards.

The ONORC implemented under the NFSA ensures flexibility to all beneficiaries to lift their food grains from any FPS of choice. Thus, it potentially reduces the whims and fancies of FPS dealers and encourages a sense of healthy competition among them to better serve the beneficiaries. With implementation of the ONORC scheme the beneficiaries are not required to surrender & re-apply new ration card and to register for portability. Further, there is no cumbersome paper-work for applying a new ration and waiting 5-6 months for completion of the process. The scheme facilitates seamless access to food grains for migrant workers and their families empowering the beneficiaries with their choice to select their FPS dealer thereby enhancing the transparency and preventing duplicacy of Ration cards and pilferage of the rations

The ONORC scheme has also ensured the rightful allocation of food grains to beneficiaries. With nearly 99.8 percent of ration cards seeded with Aadhaar, it has enabled transparent transactions thereby ensuring food security for around 80 crore beneficiaries in the country. The portability feature not only empowers beneficiaries to access their food grains from any FPS when migrating for work outside the home state but also alllows the family members to draw the balance ration while staying back in the home state, thus upholding their right to food security.

The ONORC facilitates seamless access to subsidized food grains for migrant workers and their families across state borders, ensuring a more stable and consistent calorie intake. Increased access to food grains from different states through it also contributes to a higher overall calorie intake, as beneficiaries can diversify their food sources, access a wider range of food items, including fortified grains and pulses, which can contribute to improved micronutrient intake and overall health resulting in significant improvements in the food security status of households, with enhanced access, mobility, and dietary diversity.

# What are the primary challenges faced during the implementation of ONORC in rural areas

Few challenges which are being encountered by the government towards implementation of the ONORC scheme are:

- Availability and Reliability of Technological Infrastructure and internet connectivity
- Exclusion Error: There has been a rise of exclusion errors in post-Aadhaar seeding as there are many sections of society who still don't have Aadhar Cards, thereby depriving them of food security.
- **Disrupting Supplies at FPS**: An FPS receives the monthly quota of products strictly in accordance with the number of people assigned to it. The ONORC, when fully operational, is likely to effect the supply of products, as some FPSs may have to cater to more numbers of cards even as others cater to less, owing to migration of people.
- Data Privacy and Security: With the digitalization of the PDS and creation of a
  repository, the protection of the privacy and security of beneficiaries' data is
  considered of prime importance.
  - Last mile connectivity: The last mile connectivity in the rural and far flung areas remains a challenge especially with regard to the availability of ePOS enabled FPS and sufficient stock of rations owing to poor infrastructure and connectivity. In order to ensure that the maximum beneficiaries are able to access the scheme, the government should consider building better roads and transportation networks and establish additional ePOS enabled FPS in underserved areas to reduce travel distances for beneficiaries. Ensuring that the Fair Price Shops are well-equipped, accessible, and stocked with essential commodities will go a long way in ensuring inclusivity and the last mile connectivity.
  - Overcoming the lack of awareness of the scheme in Rural India
  - Effective cooperation between states for ironing out the issues of the migrants going beyond the home state.

# What policy recommendations can be proposed to address these challenges and improve ONORC's effectiveness in Rural Regions

In order to ensure that the ONORC scheme reaches its desired output and effectively utilized by all the beneficiaries residing in the remotest part of the country or while moving to any state seamlessly, following is recommended in brief:

- Enhancing Awareness and Outreach
- Addressing the issue of Exclusion Error
- Improving Digital Infrastructure
- Development of Infrastructure and ensuring Last-Mile Connectivity
- Ensuring Inclusivity and Accessibility
- Imparting Regular training to all verticals involved in delivery and implementation of ONORC

# कर्मण्येवाधिकारस्ते मा फलेषु कदाचन। मा कर्मफलहेतुर्भूर्मा ते सङ्गोऽस्त्वकर्मणि॥

"To work alone you have the right, and not to the fruits thereof. Be not one whose motive for action is the hope of reward, and do not be attached to inaction."

The Bhagavad Gita.

# Chapter 6

### **Recommendations and Conclusion**

#### 6.1 Recommendations

The ONORC is a path breaking and an innovative scheme ensuring intra-State and inter-State portability of ration cards, and has proved to be game changer enabling the beneficiaries especially those migrating to states outside their home states of enhanced food security and ensuring their well being. This initiative also provides leverage to States/UTs to serve many more beneficiaries, without actually incurring any additional burden It enhances transparency and reduces misallocation through biometric/Aadhaar authentication. It also prevents duplicacy of Ration cards and pilferage of the rations. The most significant achievement of the One Nation One Ration Card (ONORC) is that, this initiative is completely indigenous and has minimized leakages and corruption by digitizing the process and linking ration cards to Aadhaar. However the scheme is in a nascent stage and guiding it the right direction is the need of the hour. There are numerous challenges being faced by the scheme and are required to be overcome for ensuring the success of the scheme. Few of the recommendations which can assist in the scheme becoming a success are as follows:

• Enhancing Awareness and Outreach: In order to ensure that the scheme achieves its desired results it is important that the awareness is spread to the remotest of the areas so that all entitled citizens are able to avail the benefits of the scheme. It is also very important to educate the benefits of the ONORC scheme to the people staying in far flung and remote areas so that in addition of becoming aware of the benefits their misconceptions, if any are also removed. In order to achieve this regular extensive awareness campaigns in vernacular language are recommended to be conducted in rural areas to educate

beneficiaries about the ONORC scheme, its benefits, and how to avail themselves of its services. Utilization of various mediums such as radio, television, posters, pamphlets, and community meetings to reach remote rural communities can be used to undertake the campaigns. Engaging the local elected leaders, village heads and elders, collaboration with local administration, NGOs, and community leaders to disseminate information effectively can also be undertaken.

- Improving Digital Infrastructure and Connectivity: During the visit to the rural districts of the sample states and interaction with the beneficiaries in the villages and FPS dealers it was observed that on many occasions there were failures in authentication resulting in non-issue of rations to the beneficiaries. There were occasions of frequent power cuts and non-operational state of ePOS machines which also resulted in the beneficiaries not getting their due entitlement. In order to ensure seamless integration of the ONORC system with existing Public Distribution System (PDS) in rural areas, development of robust digital infrastructure and internet connectivity is mandatory. In order ensure this, investment in upgrading digital infrastructure including internet connectivity and ePOS (Point of Sale) devices in remote regions and efficient tracking and management of ration cards is considered inescapable to facilitate online authentication and transactions and that there are no failures so that the entitled people are not deprived of their entitlements. Establishment of backup mechanisms such as offline modes or alternative authentication methods may be introduced to mitigate issues related to connectivity in remote areas. Providing training on digital literacy to beneficiaries, especially elderly and marginalized populations will help the beneficiaries to avail the facility seamlessly. Additionally simplification of the process of linking Aadhaar cards with ration cards may also be considered to ensure seamless access.
- Exclusion Error: There has been a rise of exclusion errors in post-Aadhaar seeding as there are many sections of society who still don't have Aadhar Cards, thereby depriving them of food security. Different states have different reasons for the non-availability of Aadhaar and non-seeding of Aadhaar with ration card. Whereas Meghalaya has very less seeding and Aadhaar enrollment as compared to other states as the area is very remote and the terrain is very tough. The people living in these areas are also superstitious and fear

sharing of personal data. Special attention and focus is recommended for ensuring all the beneficiaries are enrolled for Aadhaar so that they can avail their entitlements.

- Inter State Cooperation: There are many issues which arise between the states with regard to the migrants accessing their entitled rations while staying away from their home states. In order to iron out all the issues between the states, effective cooperation and coordination amongst states at the highest level is essential for the smooth functioning of the ONORC initiative. State governments must collaborate to ensure that data is shared accurately and in real-time to avoid duplication or exclusion of beneficiaries.
- Addressing Operational Challenges: In order to ensure that all the operational challenges are addressed and that the transactions run smoothly, it is required that the people who are operating the machines and handling the distribution of the rations are well trained and have complete knowledge of the system. It is also required that these people are adept in system and are also able to handle minor glitches by ensuring inhouse trouble shooting so that no beneficiary is deprived of their entitlement. It is therefore recommended that frequent training for the PDS officials, local vendors, dealers be conducted so that they are trained in handling minor issues including the use of technology and handling grievances.

Development of user-friendly interfaces for beneficiaries, especially for those with limited literacy or digital literacy skills, to ensure easy access to services is also an option that can be considered. Regular monitoring and evaluation for identifying operational bottlenecks and addresing them promptly is also recommended.

• Ensuring Inclusivity and Accessibility: In order to ensure the success of the scheme and that it is effectively utilized by the beneficiaries it is important that the ONORC system is designed with features that cater to the specific needs of marginalized groups such as elderly individuals, persons with disabilities, and migrant workers. Providing support services such as helplines in vernacular language and assistance centers to help beneficiaries navigate the ONORC system and address any issues they encounter. Additionally provisioning of mobile vans or outreach camps to provide ONORC services in hard-to-reach or underserved rural areas.

Targeted interventions need to undertaken by identifying vulnerable groups such as migrant workers, single women, and elderly and tailor interventions accordingly and ensuring that no eligible beneficiary is left out due to lack of documentation. Promoting social inclusion by actively involving women's self-help groups (SHGs) and community-based organizations will also help the inclusivity endeavour. It has also to be ensured that marginalized communities have equal access to benefits.

- Strengthening Monitoring and Evaluation: In order to ensure the success of the scheme, it is important that it is frequently monitored and evaluated for the desired results, and shortcoming's if any are suitably addressed. In order to ensure this development of robust monitoring and evaluation frameworks are required to assess the effectiveness and impact of the ONORC scheme in rural areas. Collection of data on key performance indicators such as enrollment rates, transaction volumes, satisfaction levels, and leakage reduction is also recommended to measure the success of the program. Addressing the grievances promptly will build trust and enhance the program's effectiveness.
- Ensuring Sustainability and Scalability: The ONORC scheme was launched in the year 2019 and within a span of 4 years it has been implemented by all states across India. As on date, there are 81 crore beneficiaries registered and availing the benefits of the scheme. In order to ensure that the scheme further expands its coverage to reach more rural communities, securing of long-term funding and political commitment to sustain the scheme is considered essential. Fostering partnerships with relevant stakeholders including government agencies, civil society organizations, and private sector entities will help in leveraging resources and expertise for scaling up the program. It is also recommended to continuously innovate and adapt the ONORC system based on emerging technologies and best practices to enhance its efficiency and relevance in rural contexts.
- Data Privacy and Security: With the digitalization of the PDS system, protecting the privacy and security of beneficiaries' data becomes important. Enforcing stringent measures to safeguard personal information and prevent any misuse is therefore recommended.

- **Development of Infrastructure and Last-Mile Connectivity:** During visit to the rural areas it was observed that the areas lacked basic infrastructure, especially in the state of Meghalaya the road infrastructure was in a deplorable condition. Each village had only limited FPS with very limited storage facility, hence accessibility of the shop was also a challenge being faced by the villagers. Considering the remoteness of the place, the lack of adequate roads and other associated infrastructure the last mile connectivity remained a challenge for the Government of Meghalaya. To add to the woes, the weather of the state is also very harsh especially during monsoons which are active from May to September and accessibility to most of the remote areas remains a challenge. In order to ensure that the maximum beneficiaries are able to access the scheme, it is important for the government to strengthen the existing PDS infrastructure in rural areas ensuring that the Fair Price Shops are well-equipped, accessible, and stocked with essential commodities. The last mile connectivity is also required to be improved by building better roads and transportation networks. Establishment of additional ePOS enabled FPS in underserved areas is also the need of the hour to reduce travel distances for beneficiaries.
- **Periodic Impact Study** Conduct of rigorous impact assessments periodically is important to gauge the effectiveness of the scheme. Data on nutrition outcomes, household food security, and economic well-being can be an indicator of the success of the scheme and can also give an insight into the remedial and corrective actions required to be initiated.
- Portability improvements for PDS dealers Enabling flexible stock requisition for PDS dealers when they run low will enable them to meet the fluctuating demand. The use of latest technology viz data analytics to detect patterns and shifts in portability uptake can improve demand planning and predict demand more accurately. As a result, the procurement, allocation, storage, and distribution of rations can be managed more effectively. These measures can reduce PDS dealers' fear of stock-outs, which is currently a significant deterrent to them providing their services to customers.
- **Portability improvements for beneficiaries** The technology present at FPS must be upgraded in order to facilitate better connectivity, which will minimise the risk of connectivity-induced transaction failures. Additionally, clear exception-handling mechanisms should be established for instances where authentication failures occur. State

governments can potentially develop rules for providing rations to customers when poor connectivity or authentication errors impede the process. These rules should then be communicated to PDS dealers and beneficiaries, so that the involved parties know the process that needs to be followed in cases of transaction failures. Lastly, ensuring the issuance, updation, and seeding of the ration cards of beneficiaries, especially those from vulnerable groups, is essential. This can be achieved through seeding camps and targeted seeding drives at FPS, particularly in districts with the largest gaps. The process of updating or correcting ration cards must be simplified as well; this is especially required for vulnerable women, who incur a significant and complicated documentation burden.

One Ration Card (ONORC) scheme in rural areas of Punjab and Meghalaya reveal significant strides towards enhancing food security and accessibility for vulnerable population. Across these states, the implementation of ONORC has notably streamlined the distribution of food grains, ensuring timely access to subsidized provisions for beneficiaries. The scheme's interoperability feature has empowered migrant workers, enabling them to access their entitled rations seamlessly, irrespective of their location.

Furthermore, ONORC has fostered greater transparency and efficiency in the Public Distribution System (PDS), minimizing leakages and ensuring that food grains reach intended beneficiaries. The scheme has also played a pivotal role in reducing food insecurity and alleviating poverty by providing a reliable source of nutrition for disadvantaged communities in rural areas.

However, challenges such as infrastructural limitations, last-mile connectivity issues, and awareness gaps persist and require concerted efforts from stakeholders to address effectively. Continued monitoring, evaluation, and fine-tuning of implementation strategies are essential to maximize the scheme's impact and ensure that its benefits reach the most marginalized sections of society in rural areas. Overall, the ONORC scheme holds immense potential to catalyze socio-economic development and foster inclusive growth in rural India.

# 6.3 Way Forward

- Every Fair Price Shop (FPS) should be linked to the Bharat Net Project to increase internet penetration.
- The central government should provide states with enough food quotas to meet their food security needs.
- The development of a dedicated ONORC e-platform based on artificial intelligence (AI), which could be used to predict and issue cards to migrants.
- In the long run, PDS may be replaced by a food coupon system or direct benefit transfer to better comply with World Trade Organization rules.

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#### Annexure 1

# **Questionnaire for Beneficiaries of ONORC Scheme**

### **Part A: Basic Information**

- 1. What is your name and age?
- 2. What is your gender and marital status?
- 3. What is your educational level and occupation?
- 4. Do you have a ration card under the National Food Security Act (NFSA)?
- 5. What was the reason for you to migrate from your home?

#### Part B: Awareness and Access to ONORC Scheme

- 6. Are you aware of the One Nation One Ration Card (ONORC) scheme?
- 7. Have you ever used the portability facility of the scheme to avail rations from any Fair Price Shop (FPS) other than your registered one?
- 8. If yes, how many times have you used the portability facility in the last six months and for what reasons?
- 9. Is it easy or difficult to use the portability feature of the Ration Card?

### Part C: Experience and Satisfaction with ONORC Scheme

- 10. Is it easy or difficult for you to use the portability facility of the scheme?
- 11. What mode of identification did you use to verify your eligibility for the portability facility (ration card number/Aadhaar number/biometric authentication)?
- 12. Are you satisfied with the quantity and quality of food grains that you received under the scheme?
- 13. Has the portability affected your expenditure on food?

# Part D: Feedback and Suggestions

- 14. What are the benefits of the ONORC scheme for you and your household?
- 15. What are your suggestions for improving the ONORC scheme and its outcomes?

# **Questionnaire for Fair Price Shop Dealer (FPS) on ONORC Scheme**

#### **Part A: Basic Information**

- 1. What is the name and location of your Fair Price Shop?
- 2. How long have you been running this shop?
- 3. How many ration card holders are registered with your shop?
- 4. What are the main challenges or difficulties that you face in running your shop?

### Part B: Implementation of ONORC Scheme

- 5. Are you aware of the One Nation One Ration Card scheme and its benefits?
- 6. Have you received any training or guidance on how to implement the scheme in your shop?
- 7. Do you have the necessary equipment and infrastructure to implement the scheme, such as electronic Point of Sale (ePoS) device, internet connectivity, biometric authentication, etc.?
- 8. How often do you face technical issues or glitches while using the ePoS device or the internet?
- 9. How do you resolve these issues and whom do you contact for support?

#### **Part C: Experience with ONORC Scheme**

- 10. How do you handle grievances of beneficiaries?
- 11. How do you verify the identity and eligibility of the beneficiaries who use the portability facility and correctness of the entitlement?
- 12. How do you record and report the transactions and stocks of food grains under the scheme?

#### Part D: Feedback and Suggestions

- 13. Are you satisfied with the functioning of the ONORC scheme in your shop?
- 14. What are the main challenges or problems that you face while implementing the scheme in your shop?
- 15. What are your suggestions or recommendations to improve the scheme and its outcomes?

### Annexure 3

# **Questions for the officials of PDS**

- 1. What is your name and please briefly explain your role in the Public Distribution System (PDS)?
- 2. How has the implementation of the "One Nation One Ration Card" scheme affected your work?
- 3. What changes have you noticed in the distribution process since the implementation of this scheme?
- 4. Have there been any challenges in implementing the "One Nation One Ration Card" scheme in your area? How have these challenges been addressed?
- 5. What measures have been taken to ensure the authenticity of the ration cards under this scheme?
- 6. How is the data of beneficiaries managed and updated in the system?
- 7. What steps are taken to ensure that the right beneficiaries receive their entitled ration?
- 8. How has the "One Nation One Ration Card" scheme impacted the functioning of fair price shops?
- 9. Do you receive any feedback from the beneficiaries regarding this scheme?
- 10. How is the scheme ensuring food security in rural areas?
- 11. In your opinion is the scheme transparent and does it ensure accountability in the distribution process?
- 12. How are complaints or grievances from beneficiaries handled?
- 13. Has the scheme impacted the overall efficiency of the PDS?
- 14. How is awareness about the scheme being spread among beneficiaries in rural areas?
- 15. In your opinion, what has been the most significant impact of the "One Nation One Ration Card" scheme in rural areas?

# **Questionnaire for Ministry Officials**

- 1. How would you rate the overall implementation and execution of the ONORC scheme in rural areas?
- 2. What challenges have been encountered in integrating existing ration card databases from different states into a unified platform for ONORC?
- 3. What strategies have been employed to address grievances and complaints from beneficiaries or fair price shop owners regarding the ONORC system?
- 4. What measures have been taken to ensure the equitable distribution of ration cards and entitlements among eligible beneficiaries under the ONORC scheme?
- 5. Have there been any notable improvements in transparency and accountability in the public distribution system (PDS) since the introduction of ONORC?
- 6. How do you assess the effectiveness of monitoring mechanisms in place to track the performance of fair price shops under the ONORC system?
- 7. Based on your experience, what policy recommendations do you have for enhancing the effectiveness and sustainability of the ONORC scheme in rural areas?
- 8. Please indicate few innovative measures and steps taken by the state towards implementation of the scheme.
- 9. Is there any long term planned way ahead for future for overcoming the gaps and loopholes and improving the implementation of the scheme
- 10. Exception handling mechanisms (OTP or offline methods): Are there any alternate mechanisms or process steps that a PDS dealer should undertake to issue rations if a transaction fails due to mismatch in fingerprint or iris scan.
- 11. Marginalized women (separated or divorced) who were particularly affected by the difficulties in getting and updating ration cards as getting a new ration card was crucial as

they constituted a new household. They find it difficult to provide the required documentation e.g. proof of separation from husband. This puts them at a higher risk of exclusion from PDS. In what way they can be helped to get the ration card and draw the ration?

- 12. How is the scheme ensuring food security in rural areas?
- 13. How is awareness about the scheme being spread among beneficiaries in rural areas?
- 14. What role do panchayat officials play in the implementation and monitoring of this scheme?
- 15. What has been the most significant impact of the "One Nation One Ration Card" scheme in rural areas

### Annexure 5

# Frequently Asked Questions on One Nation One Ration Card (ONORC)

### Q1: What is One Nation One Ration Card (ONORC) Plan?

The One Nation One Ration Card (ONORC) plan is a technology driven transformation in Public Distribution System (PDS), enabling the portability of NFSA benefits (subsidised foodgrains) anywhere in the country. This system empowers all NFSA beneficiaries to access the Targeted Public Distribution System (TPDS) and lift their quota of entitled NFSA foodgrains (either in full or parts) from any ePoS-enabled Fair Price Shop (FPS) in the country using their same existing ration card after biometric authentication on ePoS device.

Through the ONORC plan, the family members of such portability NFSA beneficiary back home (in village/hometown), can continue to lift the part / balance foodgrains on the same ration card. Due to this technology driven feature, the ONORC plan has become an integral part of the Hon'ble 'PM's Technology Driven System Reforms under AtmaNirbhar Bharat Abhiyan'.

### Q2: When was ONORC plan first launched?

The ONORC plan, after being sanctioned in April 2018, was first started as inter-State portability in 2 clusters of 2 adjoining States (total 4 States) in August 2019. Thereafter, progressively in phase-wise manner, the ONORC plan was enabled in all 36 States/UTs.

#### **Q3:** What are the key enablers of this technology driven (ONORC) system?

The two main enablers of this technology driven system are – (i) Functioning of ePoS devices at all Fair Price Shops (FPSs) and (ii) Aadhaar seeding of beneficiaries with their ration cards - to enable electronic transaction with biometric/Aadhaar authentication of portability transactions through ePoS devices.

# Q4: What is meant by portability of ration cards, what are its benefits and how it is implemented?

The portability of ration cards allows the ration card holders/beneficiaries to access the Targeted Public Distribution System (TPDS), hence also getting subsidised NFSA foodgrains from any Fair Price Shop (FPS) with the same ration card. Portability of ration card empowers eligible i.e., Aadhaar seeded beneficiaries to lift their entitled foodgrains through inter-State or intra-State (i.e., inter-district and intra-district) portability transactions, either in parts or in full. Any Aadhaar seeded member of the household can lift the entitled foodgrains through portability on behalf of the entire household (as per ration card). It is also helpful in curbing the arbitrariness of the FPS dealers and promotes a sense of healthy competition for giving better services to beneficiaries.

The portability of ration cards is a technology driven mechanism, enabled by digitization of ration cards/ beneficiaries' databases, Aadhaar seeding with ration cards, operationalization of electronic Point of Sale (e-POS) devices at the FPSs with biometric authentication of beneficiaries.

# Q5: Who are the beneficiaries under ONORC plan and who would primarily benefit from ration card portability under ONORC?

Although ONORC system is equally available and beneficial for all 80 Crore NFSA beneficiaries, in the country, but it is particularly beneficial for those who frequently change their place of dwelling in search of temporary employment or for other reasons and miss out their food security benefits due to migration – such as workers/labourers, daily-wagers, urban poor like rag-pickers, street-dwellers, temporary workers in both organized and unorganized sectors, domestic workers, etc.

# Q6. How a NFSA beneficiary can access his/her entitled foodgrains/benefits under ONORC in the absence of physical ration card? (i.e., ration card is with family back home in village)

NFSA beneficiaries can simply produce a copy of ration card or Aadhaar card or quote either ration card or Aadhaar number to any nearby e-PoS enabled FPS dealer to lift the foodgrains through portability after biometric/Aadhaar authentication on e-PoS device.

# Q7. How many portability transactions are being recorded under ONORC on monthly basis? or, what is the monthly transaction performance under ONORC?

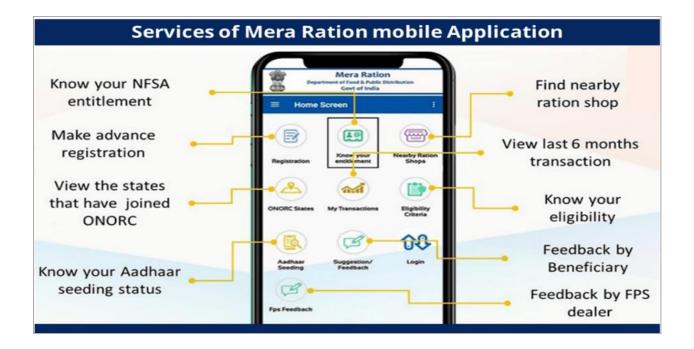
Presently, the data of ONORC transactions recorded so far, shows that an average of about 2.5 Crore monthly portability transactions are taking place under ONROC in the 36 States/UTs on a monthly basis.

# Q8: What is the performance of ONORC since inception or how many transactions have been recorded under ONORC so far?

Since inception of ONORC plan in August 2019 to Jan 2024, 131 Crore portability transactions have been recorded under the ONORC plan in the country, which includes both inter-State and intra-State transactions delivering foodgrains to the beneficiaries with flexibility.

## Q9: What is MERA RATION mobile app under ONORC?

The Department in association with NIC has rolled out an Android based Mobile App. – Mera Ration to give a boost to the inter-State and intra-State portability transactions under the ONORC Plan. The App provides a host of useful features related to the ONORC & PDS operations at the fingertips of the NFSA beneficiaries, as they can access many useful information related to their Ration Cards and Portability, such as – Know your entitlements, Find nearby ration shops, View last few month transactions, View the States under ONORC, Know your Aadhaar seeding status, Know your eligibility under IMPDS/ONORC, Give feedback to the Government, Make advance registration for portability (optional), etc. so that the beneficiaries may take maximum advantage of the ONORC plan.



The App is freely available from Google Play Store and provides information in 13 languages viz. English, Hindi, Oriya, Punjabi, Tamil, Telugu, Malayalam, Kannada, Gujarati, Marathi, Urdu, Assamese and Bangla. So far, the App has been downloaded about 20 Lakh times from the Google play store. The main features/services of this Android App include:

- a) Beneficiaries can identify and locate the nearest fair price shop
- b) Beneficiaries can easily check details of their foodgrain entitlement, recent ONORC transactions and status of Aadhaar seeding.
- c) Migrant beneficiaries can register their migration details through the application
- d) Option for beneficiaries to enter suggestions/feedback

# Q10: How the ONORC benefits are being given to portability beneficiaries in the Union Territories of Chandigarh and Puducherry which have implemented DBT (Cash Transfer) scheme under NFSA?

Under the ONORC plan, the inter-State beneficiaries in these UTs are also given equivalent Cash Subsidy (in place of foodgrains) directly into their bank accounts (in the same manner as the resident beneficiaries of these UTs are receiving).

# Q11: What measures are taken by the Department to help States/UTs to increase the awareness and capacity building for ONORC plan?

The Department is regularly organizing virtual training programmes, workshops for sensitizing and capacity building of the District-level authorities, field functionaries of the States/UTs and the FPS dealers on ONORC plan for smooth portability operations.

### Q12: Outline some of the recent initiatives to sensitize beneficiaries about ONORC.

DFPD has recently undertaken a series of awareness drives pan India to showcase the remarkable achievements made under One Nation One Ration Card (ONORC). The ONORC awareness workshops are targeted especially for the migrant workers to acquaint them about ONORC and how this initiative is helping them to get their quota of foodgrains seamlessly anywhere in the country. So far 14 such awareness workshops have been conducted successfully in the migrant clusters of cities across India. Places covered include, Surat, Vadodara, Dehradun, Noida, Kanpur, Gurgaon, Faridabad, Saharsa, Darbhanga, Chennai, Coimbatore, Jammu, Mysuru and Guwahati. These interactive workshops are well attended by Senior Officials from the DFPD and State Food and Civil Supplies Department to assess and understand the grassroot challenges. These events are also telecast live over the Social Media handles for wider dissemination and outreach.

# Q13: Will beneficiaries have to bear any financial burden under the ONORC plan?

Beneficiaries will be able to avail portability under 'One Nation One Ration Card' plan without any additional cost / financial or any additional paperwork or registration as there is no need to surrender the existing ration card issued in their Home State/UT and/or apply/obtain any new ration cards in the State/UT of migration.

# Q14: Are States/UTs required to issue any 'New or Standard' ration card under the ONORC plan for the NFSA beneficiaries to take benefit of ration card portability?

No. Under ONORC, the beneficiaries can seamlessly use their same existing AAY/PHH ration cards issued under NFSA by their home State/UT Govt. to access TPDS / lift their entitled NFSA foodgrains/benefits in any of the States/UTs under ONORC so far. States/UTs are not required to issue any new ration card for the purpose of ration card portability benefits under the ONORC plan.

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