



## PERFORMANCE OF POVERTY ALLEVIATION PROGRAMMES: WITH SPECIAL REFERENCE TO ANNA BHAGYA YOJANA AT KARNATAKA STATE

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### ABSTRACT:

Food is a basic necessity of life. Its importance is seen in the fact it is a basic means of sustenance and an adequate food intake, in terms of quantity and quality, is a key for healthy and productive life. The important food is also shown in the fact that it account for a substantial part of a typical Indian household budget. A country's economic development is dependent on its factor endowment. This includes the non-human and human resources. The productive capacity of the human resources is however a function of how well fed they are. Food problem, with regards to quality and quantity, is one of the characteristics of developing countries like India. Public Distribution System in India is a major intervention aimed at ensuring food security to all the poor, especially the vulnerable sections of the society. It not only essential commodities, including food grains, to more than 6 million families on regular basis, but also ensures the prices stability in the market.

The Government of Karnataka launched its much-awaited ambitious programme Anna Bhagya Yojana on July 9,2013 supply Food Grains at Rs. 1 cost to priority household families across the state. The total beneficiaries cover under this scheme is 108.98 lakh through a network of 20.778 (FPS) Fair Price Shops. From May 1, 2015, people holding BPL cards inclusive Anna Antyodaya beneficiaries used get five kgs of food grains and subsidized sugar, palm oil and iodized salt free. While in North Karnataka, 3 kgs of rice and kgs wheat were provided, in the south 4 kgs of rice and 1 kgs of wheat were given free. One kg of salt would cost Rs 2, while a liter of palm oil was sold at Rs.25. there were nearly 1.08 crore families identified as poor falling under BPL.

**KEYWORDS:** Food grains, PDS, BPL, APL, ABY, AAY.

### I. INTRODUCTION

The Public Distribution System (PDS) in India is more than half-a century old as rationing was first introduced in 1939 in Bombay by the British Government in India as a measure to ensure fair distribution of food grains to the urban consumers in the face of rising prices. Thus, rationing in times of crisis like famine was the historical precursor to the national policy of stabilization and organization of food grains. Among the number of price control conference held during 1940-42, the sixth, held in September, 1942 laid down the basic principles of a PDS for India. The Food Security Department, Set up in December,1942 formulated an All India Basic Plan that dealt with issues such as procurement, contracts for purchasing agents, public distribution, investigation and storage.

PDS distributed rationed amounts of basic food items (rice, wheat, sugar, edible oils) and other non-food goods (kerosene, coal, standard cloth) at below market prices to consumers through a network of fair price shops disseminated over the country. While measurement of poverty is a heated issue in India (Deaton, 1999, Deaton et.al.2000). The PDS had been criticized for its urban bias and its failure to serve effectively the poorer sections of the population. Since June 1997 PDS turned into the TPDS ( Targeted Pubic Distribution System), the aim is to target the poorest household by differentiating the access quantities and prices at which one is allow to buy. The differentiation is made with respect to the state official poverty lines. Those households below the poverty line (BPL households) are entitled with ration card that allows them to buy more at a higher subsidized price.

The functioning of the PDS (Public Distribution System) in India has suffered due to ineffective management over the decades and lack of proper targeting to improve the food security of the poor. Although, India has achieved self-sufficiency in food grain production, and surplus food stocks are available in the FCI (Food Corporation India) godowns across the country, the poor have little access to food as they lack purchasing power. This paradox of surplus food accessibility in the market and chronic hunger of the poor has brought into sharp focus, the lopsided policies of the government, with regard to food allocation in the country. The PDS evolved from a food rationing system introduced by the British in India during World War II. A fixed amount of food rations were distributed to the entitled families in specific towns/cities through The Department of Food created in 1942 under the Government of 26 India. After the end of the war, the government abolished the rationing system only to reintroduce immediately after independence in 1950 due to inflationary pressures of the economy. Ever since, the Indian government has used the (PDS) public distribution system as a deliberate policy implement to overcome chronic food shortages, apart from using it for stabilizing food prices and utilization, in view of fluctuating food production in the country.

- **CONCEPT OF FOOD SECURITY:**

The concept of food security has evolved since the First World conference in 1947 and it is now accepted globally that it relates to the access by all people at all times to enough food for an active healthy life, but is used differently at different levels, irrespective of the reference level, food reserve is now considered a criterion for food security of the nation but this is not exclusive. Although food availability has increased along with the growing human population over the last 30 years in India, yet there are still 200 million people suffering from mal nutrition. In India, the food production and food reserve is sufficient but it is not available to all the people in the country and there are wide gaps between and within regions. As feeding people do not nourish them. It is important to increase the accessibility of markets, so that the people who are, directly 30 or indirectly depending on livestock for their livelihoods are able to nourish themselves. In real sense, the food security exists, when all people at all times have physical and economic access to sufficient. Safe and nutrition's food that meets their dietary needs and food preferences for an active and healthy life.

- **PUBLIC DISTRIBUTION SYSTEM:**

Public distribution system (PDS) is a general concept. It includes broad definition can be considered for the practical purpose of this study. PDS means distribution of necessary food grains to a large number of people through a network of FPS (Fair Price Shops) on a recurring basis.

The commodities are as follows:

- Wheat
- Rice
- Sugar
- Kerosene

PDS evolved as a major instrument of the Indian Government's economic policy for ensuring accessibility of food grains to the public at reasonable prices as well as for enhancing the food security for the poor peoples. It is an important element of the strategy for reduce the poverty and is intended to

serve as a safety net for the poor whose number is more than 330 million and are nutritionally at risk. PDS( Public Distribution System) with a network of about 4.99 lakh Fair Price Shops (FPS) is perhaps the largest allocation network of its type in the world.

Anna Bhagya Scheme is in force wef. July- 2013 in Karnataka. From the date of implementation of Anna Bhagya Yojana the beneficiaries of BPL cards holders are availing enhanced quantity of food grains. Earlier to this a BPL card family having one member were availing a minimum quantity of 4 kg rice and 1 kg wheat, and a maximum quantity of 20 kg rice and 3 kg wheat. According to New Scheme a BPL family having 1 member is availing quantity 10 kg, 2 members family is availing 20 kg, 3 members and above family is availing 30 kg of food grains. Under Anna Bhagya Scheme upto April 2015 the rate of issue of food grains per kg is also reduced to Rs. 1/- from May 2015 onwards every unit of the priority households have been issued 5 Kgs of food grains at free of cost. Uniform rate for Kerosene is introduced throughout the State. All the eligible card holders are getting 1 Kg sugar per card. Under this scheme more than 103 lakh BPL families are the beneficiaries every month. By increasing the issue quantity and distributing food grains at free of cost, supports the food security and also purchasing ability of the BPL families.

In the year of 2017 April the Government extended the quantity of food grains to the Anna Bhagya Yojana, Antyodaya Yojana BPL and APL cards. According to the new direction, every member will get 7 kg of Rice and 35 kg for a AAY card freely. 3 liter of kerosene will be given for each AAY APL and BPL at the rate of 25 Rs per liter. (Prajavani paper April-2-2017, page no 3). The Government invested 9350 crores for the Anna Bhagya Yojana since 2017. The central Government gave Rs 27 as a subsidy for a kg of rice.

## II. REVIEW OF LITERATURE

### 1. Sawant and Rahul (2013)

In their study stated that the Public Distribution System was widely criticized for it's not a success to serve the population below the poverty line, its urban bias, insignificant coverage in the states with the highest concentration of the rural poor and lack of transport and accountable reparations for delivery.

### 2. Amaresh and Nirankar (2011)

This topic indicated that it is important to note that though the PDS (Public Distribution System) is not strong enough, it is the only implement to ensure the food security of the poor peoples, because it serves the purpose only to those who have purchasing power and are ration card holders. An appropriate combination of policies like effective implementation of poverty alleviation programmes, stabilisation of prices, supply of universal health amenities are needed along with higher financial growth for enhancing the food security of the poor households.

### 3. Anu Rammohan (2012)

In the study was conducted the determinants of Food Security in Rural India. In their study food is a basic need of peoples. The Food security main objective is supply of nutrition food for peoples especially in rural area. Remaining food security major Economic developmental objective in India for very long time. India was achieved self sufficiency in food grains in the 1970s and sustained development it since then. But the achievement of food grains security at the time national level does not percolate down to households and the level of chronic food insecurity is still high.

### 4. Himanshu and Abhijit Sen (2013)

In his study that In-kind Food Transfers-II Impact on Nutrition and Implications for Food Security and its costs. This study found that many states have revitalised PDS access the food, reduce the poverty and leakage. Also started NFSA (National Food Security Act) 2013 this act is providing to nutrition and food security in human life cycle approach, by ensuring quality and quantity food at affordable prices.

## III. OBJECTIVES OF THE PAPER

1. To know the food security in India

2. To study the performance of Anna Bhagya Yojana
3. To understand the importance of Anna Bhagya Yojana
4. To analyze the cost of Anna Bhagya Yojana at Karnataka

#### IV. METHODOLOGY:

Keeping in view of the objectives, the present study purely based on secondary data. Secondary data has been collected from various research papers, magazines and articles. In addition to this study, data has also been collected from various journals, and the research is also based on the referred source- published, unpublished and electronic.

#### V. PERFORMANCE OF ANNA BHAGYA YOJANA

Anna Bhagya Yojana is a one of the poverty alleviation programme, its main objective of poverty reduce so, Anna Bhagya Scheme is in force wef. July- 2013 in Karnataka. From the date of implementation of Anna Bhagya Yojana the beneficiaries of BPL cards holders are availing enhanced quantity of food grains. Earlier to this a BPL card family having one member were availing a minimum quantity of 4 kg rice and 1 kg wheat, and a maximum quantity of 20 kg rice and 3 kg wheat. According to New Scheme a BPL family having 1 member is availing quantity 10 kg, 2 members family is availing 20 kg, 3 members and above family is availing 30 kg of food grains. Under Anna Bhagya Scheme upto April 2015 the rate of issue of food grains per kg is also reduced to Rs. 1/- from May 2015 onwards every unit of the priority households have been issued 5 Kgs of food grains at free of cost. Uniform rate for Kerosene is introduced throughout the State. All the eligible card holders are getting 1 Kg sugar per card. Under this scheme more than 103 lakh BPL families are the beneficiaries every month. By increasing the issue quantity and distributing food grains at free of cost, supports the food security and also purchasing ability of the BPL families.

With the implementation of Anna Bhagya Yojana there is more positive effect in the production on Agricultural field. In addition to Central supporting price, the local attractive bonus on the crops of paddy, ragi and jowar is also declared. Because of this the requirement of food grains in the state under PDS system can also be stored locally and conveniently.

The Central Government NFSA-2013 and the State Anna Bhagya schemes are implemented on combination in the State. According to this combined scheme the requirement of food grains for every month is 3 lakh MT. But the Central Government monthly allotment of food grains is 2,17,403 MT which is below the State food grains requirement. As such the deficit quantity of food grains is met by the food grains like rice, ragi and jowar procured under MSP scheme.

In the year of 2017 April the Government extended the quantity of food grains to the Anna Bhagya Yojana, Antyodaya Yojana BPL and APL cards. According to the new direction, every member will get 7 kg of Rice and 35 kg for an AAY card freely. 3 liter of kerosene will be given for each AAY APL and BPL at the rate of 25 Rs per liter. (Prajavani paper April-2-2017, page no 3). The Government invested 9350 crores for the Anna Bhagya Yojana since 2017. The central Government gave Rs 27 as a subsidy for a kg of rice.

#### VI. IMPORTANCE OF ANNA BHAGYA YOJANA

As per the data of 2013 some important elements are given below.

1. ABY is come into effect in July 2013.
2. Every month 2.93 lakh metric ton of food grains is being distributed for 1 crore 3 lakh BPL and AAY card holders.
3. The State Government invested 3046.04 crores for this scheme in the year 2013-14 and 4365 crores in the year of 2014-15 for the successful implementation this scheme.
4. The State Government adopted "National Food Security Law" from the year of 2014 January onwards.
5. 73% of the rural population and 49% of the urban population is used to get the benefit of this scheme.

6. According to National Food Security Law the elder woman of the family is considered as the "Head of the Family" and the cards will be issued in her name.
7. According to the direction of the Food and Civil Services Department of Karnataka the Fair Price Shops should be opened 10 days of beginning of the month from 8 AM to 8 PM.
8. The token of ration will be issued on line before the first day of the beginning of the month.
9. Kerosene will be distributed from 15<sup>th</sup> of the month to end of the month. Token will be issued online for the beneficiaries.
10. Anna Bhagya Adalath  
Every month of the 7<sup>th</sup> date the Taluk level Officers will meet at each Fair Price Shops in order to solve the problems of beneficiaries from morning 8 O Clock to 12 O clock afternoon.
11. List of the beneficiaries will be given to the Fair Price Shops before the beginning of the distribution of food grains.
12. Kerosene will be distributed based on number of family members of in the ration cards. 3 liters of kerosene will be given to the card holders who have 1 or 2 members and 5 liters will be given for the beneficiaries who have more than 3 members in the family at the rate of 18 per liter. From 2017 April onwards the cost of the kerosene is Rs 25 per liter.
13. At first kerosene was not distributed to APL card holders. But now a days they will be given kerosene.
14. Consumer Friendly Department  
The Department of Food and Civil Services is so consumer friendly that the eligible beneficiaries will be allowed to file the applicator online, edit their names and updating the information of the receiving the ration cards, SMSs will be sent monthly by quoting the quantity of the ration that they are going to take.
15. In order to avoid the cheating in measurement, E-ration machineries have been established in every Fair Price Shops.
16. For the new application for the ration cards, the number of Epic and Adhar Cards should be given compulsory.
17. In the order to avoid the cheating at the time of distribution of ration, the local and district level vigilance committees are nominated.
18. For March 2014, ragi has been distributed in Hassan, Mandya, Mysore and Chamarajanagara.
19. From all these rigid actions of the department, 5.5 lakh bogus cards are identified and 11 lakh disqualified cards for kerosene are identified in 2014.
20. Economic reforms in Fair Price Shops.
  - ❖ The margin of the profit of transports has been increased from Rs.20 to 35.
  - ❖ The margin of the profit of Fair Price Shops has been increased to from Rs.31 to 36.
  - ❖ Transportation cost will be given for the urban Fair Price Shops.
  - ❖ The rate of Hamali has been increased from Rs.6 to 10 per quintal.
21. The Department announced for beneficiaries "number 1967" as toll free number for the complaints.

## VII.COST ON ANNA BHAGYA YOJANA IN KARNATAKA

**Table No: 1**  
**Cost on Anna Bhagya Yojana (in crores)**

Year	Reserved Fund	Invested Fund
2013-14	3049	3046
2014-15	4365	2533.28
2015-16	2266	2195.85
2016-17	1975	1438.34

(Source: Vijaya Karnataka 19/3/2017 page no: 4)

As per the above table the invested amount for Anna Bhagya Yojana has been decreased. It is because of the reforms and actions which are taken in implementation of Anna Bhagya Yojana.

**Table No: 2**  
**Cost of the Ration as on March 2017**

Ration	Distribution Quantity	Rate (BPL & APL) per kg	Rate (APL) per kg
Rice/Wheat/Ragi/Jowar	5 kg (per member)	Free	Rs.15 for rice Rs. 10 wheat (maximum 5 kg)
Palm oil/ Sunflower oil	1 liter for 1 ration card	Rs. 25 per liter (palm) Rs. 40 per liter sunflower	
Sugar	1 kg for 1 ration card	Rs. 15	
Salt (with iodine)	1 kg for 1 ration card	Rs. 2	
Dal	1 kg for 1 ration card	Rs. 33 (munga dal) Rs. 38 (toor dal)	
Kerosene	3 liter for 1 ration card which gas free 1 liter for gas connection holders	Rs. 25	

(Source: Government of Karnataka Dept of Food and Public Distribution and Consumer Affairs – [www.ahar.kar.nic.in](http://www.ahar.kar.nic.in))

The person who has BPL or Antyodaya ration card is to get 10 kg of food grains every month. If there are two members in the family they use to get 20 kg of food grains. If there are more than 3 members in the family they will get 30 kg of food grains.

**Table No: 3**  
**Allotment and Off-take of Sugar**

Year	Allotment(in MTs)	Offtake(in MTs)
2011-12	112697	95550
2012-13	109630	95863
2013-14	73012	35849
2014-15	280293	280293
2015-16	98736	98162

(Source: Government of Karnataka Dept of Food and Public Distribution and Consumer Affairs – [www.ahar.kar.nic.in](http://www.ahar.kar.nic.in))

**Table No: 4**  
**Distribution of the Quantity of Food Grains:**

Food Grains	North Karnataka	South Karnataka
Eligible beneficiaries who receives 10 kg of food grains		
Rice	4 kg	7 kg
Wheat	2 kg	1 kg
Jowar	4 kg	2 kg
Eligible beneficiaries who receives 20 kg of food grains		
Rice	11 kg	15 kg
Wheat	3 kg	2 kg
Jowar	6 kg	3 kg
Eligible beneficiaries who receives 30 kg of food grains		
Rice	17 kg	22 kg
Wheat	5 kg	3 kg
Jowar	8 kg	5 kg

(Source: Government of Karnataka Dept of Food and Public Distribution and Consumer Affairs – [www.ahar.kar.nic.in](http://www.ahar.kar.nic.in))

### VIII. CONCLUSION

The Public Distribution System is a universal coverage system with preferential treatment to the poor. Entire all Karnataka population is covered under the PDS. It is an important consistent of the strategy for poverty net for the poor whose number is more than 330 million and are nutritionally at risk. Some sections are provided with special treatment in terms of lower prices and larger quantities as well as additional commodities. The total beneficiaries cover under this scheme is 108.98 lakh through a network of 20.778 Fair Price Shops. From May 1, 2015, people holding BPL cards inclusive Anna Antyodaya beneficiaries used get five kgs of food grains and subsidized sugar, palm oil and iodized salt free. While in North Karnataka, 3 kgs of rice and kgs wheat were provided, in the south 4 kgs of rice and 1 kgs of wheat were given free. One kg of salt would cast Rs 2, while a liter of palm oil was sold at Rs.25. there were nearly 1.08 crore families identified as poor falling under BPL.

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