

GRAIN APLENTY AND THE CRISIS OF HUNGER: ON UNIVERSAL PUBLIC DISTRIBUTION SYSTEM

Relevant for: Indian Economy | Topic: Public Distribution System: Objectives, Functioning, Limitations & Revamping

With the economic crisis continuing on the one hand and the health system crumbling under the burden of rising COVID-19 cases on the other, it is clear that it will take a long time for things to get back to “normal”. Unemployment is high and it will take a while for lost livelihoods to be rebuilt, especially given the fact that India was already facing an economic slowdown along with high levels of inequality. Among other interventions to revive demand in the economy and create employment, it is absolutely essential that food support in the form of free/subsidised grains is made available to all without any disruptions.

As a measure to address hunger, the central government announced as part of the 1.70-lakh crore relief package under the Pradhan Mantri Garib Kalyan Yojana (PMGKY) in the last week of March that it would provide [5kg of foodgrains and 1 kg of pulses for free](#) to all those who are beneficiaries under the National Food Security Act (NFSA) for three months.

As it became obvious that many were not part of the NFSA, the government, in May, almost two months after the lockdown was initiated, announced its expansion to cover an additional eight crore individuals for two months to ensure that migrants are included under the Atmanirbhar Bharat Abhiyan package. This basically meant each State being given foodgrain to the tune of 10% more than what they normally get under the NFSA. Many States were already covering more beneficiaries than was allotted to them by the NFSA, and some States made additional temporary provisions for these two months.

As many have argued, this is an inadequate response. What is required is a universal Public Distribution System (PDS) to ensure that nobody is excluded. What is also an urgent need now is for the food support announced as part of the PMGKAY and Atmanirbhar package to be extended for a longer period, as both end in June. The president of the Indian National Congress party, Sonia Gandhi, wrote to the Prime Minister last week seeking an extension in the distribution of free foodgrains until September (another three months). It has also been reported that the Union Minister for Consumer Affairs, Food and Public Distribution, [Ram Vilas Paswan, in a video conference](#) with State food ministers/secretaries on June 18, said that “around 10 States have written to the Ministry to extend the distribution of free food grains under the PMGKAY for three more months”. However, the government has not yet announced any such extension.

No word from Centre on extension of free food grain scheme

Rather, the government seems to be indicating that all problems of exclusion will be resolved once the One Nation One Ration Card scheme is expanded across the country, which is supposed to be achieved by March 2021. Under ONOC, a beneficiary can receive ration entitlements as under the NFSA from any fair price shop in the country using her/his Aadhaar number and biometric authentication. This will apparently be possible once the Aadhaar numbers of all members enlisted in ration cards are seeded, which will enable transactions under the Public Distribution System across the country to be brought on to one digital platform. It has been announced that ONOC is operational in 20 States.

Portability across States is an important and valid concern that needs to be ensured so that

migrant workers can access their entitlements. ONOC, however, has a number of problems in the way it has been conceived, being Aadhaar-based. The experience of biometric authentication using electronic point of sale (ePoS) machines so far suggests that it results in exclusion of some of the most marginalised because of multiple reasons including network issues, authentication failure and so on. Keeping these concerns aside for now, it must be noted that ONOC is definitely not a solution to the immediate crisis of hunger that continues in the aftermath of the lockdown.

Food Ministry awaits PMO word on food grain schemes extension

The integrated management of PDS (IM-PDS) portal, which gives real time data on transactions under ONOC, shows that for the month of May, there were a total of 378 transactions (3,077 beneficiaries) under ONOC and 479 transactions (3,856 beneficiaries) in June (as on June 29, 2020). The figures for April are even lower. Ironically, Mr. Paswan is reported to have said in the same videoconference that, “in the time of Covid-19 pandemic, the scheme proved immensely beneficial for migrant labourers, stranded and needy persons to access their quota of food grains through ONOC portability”. It must not be forgotten that lakhs of migrants were stranded in different places without access to food.

This emphasis on ONOC is an obfuscation, while the real issue is of burgeoning food stocks along with widespread hunger. If we include unmilled paddy, foodgrain stock in the Food Corporation of India has now risen to almost 100 million MTs while the buffer stock norms is 41 million MTs. This will increase even more as there is another week of procurement open in the *rabi* marketing season; there will be another round of procurement of kharif crop in a few months (49.9 million MTs of rice was the procurement during the *kharif* marketing season in 2019-20). A universalised PDS giving 10kg of foodgrains per person per month for another four months requires about 47 million tonnes in total, assuming that nearly 85% of the population actually lifts their rations. It can be safely assumed that the rich will automatically self-select themselves out of the system. This is indicative and the actual requirements would most likely be lower.

Ten States seek extension of free food grains scheme

It is unfathomable why the PDS is not being universalised immediately especially when food stocks are at such a historic high. The government seems to be hoping to get rid of grain through the Open Market Sale Scheme (OMSS) where it sells the grains at prices lower than the procurement cost but much higher than the issue prices under PDS, so that the fiscal consequences can be contained. Earlier experiences with the OMSS do not spell much hope that this plan of the government will be successful. In the period 2017-18 to 2020-21 (up to first week of June), only 16.6 million tonnes of rice and wheat have been sold under the OMSS. The quantity sold each year was less than the quantity offered. Moreover, one-third of all sales was to State governments (almost all the rice) thereby shifting the subsidy burden to State governments. If not OMSS to private buyers, the only other options left are to either export them or let the grain go waste. Needless to say, choosing any of these options while people go hungry is nothing less than criminal.

Dipa Sinha teaches at Ambedkar University Delhi

You have reached your limit for free articles this month.

Already have an account ? [Sign in](#)

Start your 14 days trial now. [Sign Up](#)

Find mobile-friendly version of articles from the day's newspaper in one easy-to-read list.

Enjoy reading as many articles as you wish without any limitations.

A select list of articles that match your interests and tastes.

Move smoothly between articles as our pages load instantly.

A one-stop-shop for seeing the latest updates, and managing your preferences.

We brief you on the latest and most important developments, three times a day.

*Our Digital Subscription plans do not currently include the e-paper, crossword, iPhone, iPad mobile applications and print. Our plans enhance your reading experience.

Dear reader,

We have been keeping you up-to-date with information on the developments in India and the world that have a bearing on our health and wellbeing, our lives and livelihoods, during these difficult times. To enable wide dissemination of news that is in public interest, we have increased the number of articles that can be read free, and extended free trial periods. However, we have a request for those who can afford to subscribe: please do. As we fight disinformation and misinformation, and keep pace with the happenings, we need to commit greater resources to news gathering operations. We promise to deliver quality journalism that stays away from vested interest and political propaganda.

Dear subscriber,

Thank you!

Your support for our journalism is invaluable. It's a support for truth and fairness in journalism. It has helped us keep pace with events and happenings.

The Hindu has always stood for journalism that is in the public interest. At this difficult time, it becomes even more important that we have access to information that has a bearing on our health and well-being, our lives, and livelihoods. As a subscriber, you are not only a beneficiary of our work but also its enabler.

We also reiterate here the promise that our team of reporters, copy editors, fact-checkers, designers, and photographers will deliver quality journalism that stays away from vested interest and political propaganda.

Suresh Nambath

Please enter a valid email address.

To reassure Indian Muslims, the PM needs to state that the govt. will not conduct an exercise like NRC

Subscribe to The Hindu now and get unlimited access.

Already have an account? [Sign In](#)

Start your 14 days trial now [Sign Up](#)

To continue enjoying The Hindu, You can turn off your ad blocker or [Subscribe to The Hindu](#).

[Sign up for a 30 day free trial.](#)

END

Downloaded from **crackIAS.com**

© **Zuccess App** by crackIAS.com

CrackIAS.com