



WELFARE PROGRAMMES IN INDIA: A REVIEW

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A number of general efforts are being made and special programmes are being implemented by the Government of India during the planning era to improve the life of poor people in India. It is realized that the trickle-down effect is no more a self and wage employment programmes have their limitations and defects and did not capable to wipe out the miserable life of the poor masses in India. Present practice of the Government of India of processing for cash transfers is not a strategy to uplift the poor people. In fact, TPDS and other welfare programmes with some sort of improvement are useful to increase the living standard of the targeted people in India. The researcher in this paper taken efforts to combine welfare programme in single roof by making their evaluations. The researcher used primary and secondary data for the examination and concluded that the cash transfer system has limitations to work for, and to deal with, it is essential to implement properly the welfare programmes to uplift poor masses in India. This means TPDS and other welfare programmes are useful, but some kind of reforms therein is very vital to increase their relevance to enhance the life of the poor general masses in India.

Keywords – TPDS, welfare programmes.

INTRODUCTION:

The Government of India during the planning era and in the post reform period made a number of welfare and implemented special programmes to improve the life of masses. General efforts like economic growth, self employment, and its trickle down aspect is no more effective way. Welfare and self employment programmes have a number of limitations and did not capable to wipe out the miserable life of the poor. Welfare Programmes have capacity to improve the life of the poor. A number of studies have been carried out to evaluate welfare programmes in India. The researcher in this paper has brought almost all welfare programmes in a single roof and efforts taken to evaluate them with reference to micro level experiences in states of Maharashtra. Recently, the Government of Maharashtra is processing cash transfer system for poor of the society in combination with fair price shops. The cash transfer system is based on N.S.S. data but it is highly objectionable. Hence, the system of cash transfer is based on unrealistic and unscientific estimates. TPDS, with some reforms, in fact, is very useful programme taking care the neglected masses and backward sections of the society in India.

Objectives of the Paper:

Bring in a single roof the all welfare programmes.
Evaluate the welfare programmes.
Study the effectiveness of welfare programmes.

Methodology of the Paper:

The researcher used primary and secondary sources of data collection for the preparation of the paper. Programmes like Targeted Public Distribution System (TPDS) is being collected by observation and interviews of Fair Price Shops salesman and beneficiaries in some villages of Guhagar Development block of District in Maharashtra. Also used Government Reports and Research Publications.

Welfare Programmes in India:

Since independence the Government of India has implemented a number of welfare programmes to improve the life of school going children, women, poor and weaker sections of the society. More or less all are directed to targeted people. A brief evaluation of different programmes is as under –

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PUBLIC DISTRIBUTION SYSTEM (PDS):

Public Distribution System in India:

Public Distribution System is an Indian food security system. This system is established by the Government of India under the ministry of India. It distributes subsidized food and non – food items to poor in India. The Commodities are distributed through a network of Fair Price Shops (FPSs) or also called Fair Price Shops established in several states across the country. The Government owned Food Corporation of India (FCI) procures, maintains and issues food – grains to the states. The state Governments through their respective Departments distributes the food – grains to beneficiaries through either co – operative or private shops. As on today there are about 4.99 lakh fair price shops in India. The objective of this system is to provide essential goods to all card holders at subsidized rates. It was started initially to provide essential goods to a population at the fair prices. In the seventh plan it was widely extended to rural areas with a view to make it supplementary to poverty eradication programmes. The main purpose of Public Distribution System in India was to act as a price support programme for the consumer during the periods of food shortage of food. So, it was considered as an instrument of price stabilization and because a countermeasure against traders who were interested to exploit the consumers during the period of scarcity to get more and more profit. Since the mid – 1980s the coverage of PDS was extended to rural areas in some states. It has given the birth of a welfare programme. An effort was made to extend subsidized food grains in 1985 in all the tribal areas. With a network of 4.99 lakh Fair Price Shops (FPS) distributing commodities worth of Rs. 30,000 crore annually to about 160 million families the PDS of India is largest network in the world. Also in several welfare generation programmes, subsidized on food subsidy of PDS has been growing over the period of time. It was Rs. 650 crores in 1980 – 81 (at current prices). It increased to Rs. 23,071 crores in 2005 – 2006 and to Rs. 10,000 crores in 2012 – 2013 (BE).

TARGETED PUBLIC DISTRIBUTION SYSTEM (TPDS):

Targeted Public Distribution System was criticized,

as it was not able to serve below poverty line (BPL) population.

It was also criticized for being in favour of Urban areas.

It was also criticized for having negligible coverage in poor states with large population of the rural poor.

It was also criticized for the leakage of PDS food grains procured from Food Corporation of India to the open market and supply of food grains in ration shops.

To overcome the above defects of the system, the Government tried to streamline it by issuing special ration cards to BPL families and provision of selling food – grains to them at specially subsidized prices with effect from June, 1997. Under Targeted Public Distribution System (TPDS) each family was entitled to 10 kg of food grains allocation was increased from 10 kg to 20 kg per month at 50 percent of the economic cost from April 1997. The food – grains allocation to APL families was retained at 10 kg level fixed in 1997, the price equal to 50 percent of the economic cost. The TPDS was aimed to direct the subsidy to BPL and discourage APL families. It was also proposed to receive a kind of income transfer to BPL families.

The BPL allocation of food – grains was increased from 20 kg to 25 kg per family per month from July 1997. In addition, 25 kg of food – grains was to be provided to the poorest of the poor families of Antodaya Yojana at a highly subsidized price of Rs. 2 kg for wheat and Rs. 3 kg for rice under PDS.

Restructuring of Public Distribution System:

It has been decided to restructure Public Distribution System considering the changing consumption pattern that have taken place in the post Green Revolution period. Tenth plan provides the following outline for restructuring of PDS.

Wheat and rice are the basic goods to meet necessities of the poor, items other than these two should be excluded from the scope of food subsidies. Sugar should be kept outside the preview of PDS. It is pointed out that the subsidy on kerosene is cornered by the non – poor. So, it was planned that the subsidy on kerosene should be phased out by raising its supply price for PDS shops, if kerosene is to be supplied on kerosene should be phased out by raising its supply price for PDS shops.

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retained under PDS, the extent of subsidy provided should be reduced so that there is less incentive for diversion.

4. The coverage of PDS and food subsidy should be restricted to BPL population.
5. To reduce malpractices, food stamps should be issued to female members of the family who can be designated as heads of households for the purpose. Under the system of food stamps, the state Governments should issue a subsidy entitlement card (SES) instead of ration cards.
6. A food card system could be superior alternative to the prevalent fair price shop (FPS) system and perhaps even a food stamp system. The customers could use food credit / debit cards to buy subsidized food – grains from the market and the retailers can claim the subsidy from the government.
7. A food coupon scheme was introduced in Andhra Pradesh in 1998 – 99 for distribution of rice and kerosene through PDS. This system was quite fruitful and can be replicated with some reforms in other states.

FOOD STAMPS:

Food stamps is an indirect financial support given to poor by issuing coupons, vouchers, electronic card transfer etc. By this provision the poor can purchase commodities at any shop and would not have to purchase food from a particular shop as in the case of PDS in India. The state Government would then pay back the grocers shop for the stamps they possess. This was the plan proposed by the finance minister in his budget. But the United Progressive Alliance (UPA) Government which came to power in 2004, decided on a common minimum programme (CMP) and agenda was food and nutritional security to the people and the Government planned for strengthening the public distribution system. However, the finance minister P. Chidambaram in his budget speech contrarily proposed the idea of food stamp scheme and has proposed to try the scheme few districts of India to know its viability. Experiments of food stamps will prove their viability.

NATIONAL FOOD SECURITY ACT (NFSA):

National food security Bill, 2011 was placed before the Lok Sabha on 22nd Dec. 2011. The aim of this bill is to provide quality food and nutritional security at affordable prices to preserve human life with dignity. By this Act about two third of the population will be entitled to receive subsidized food – grains under Targeted Public Distribution System (TPDS). The special emphasis is on children, women and other groups such as destitute, homeless people, people in starvation and disaster affected people. Also there is a provision of paying maternity benefit of Rs. 1000 per months to pregnant and lactating women in the country.

Structure of FPSs in Maharashtra:

FPSs are considered to be the most important food security network. The structure of Fair Price Shop (FPSs) in the village in Maharashtra is as under:

Card system is developed. The details regarding cards given to people, food and non – food items distributed and prices charged, rebate given, and others are explained below.

1. White Card:

This card is given to a family having annual income above Rs. 1 lakh. No more benefits are given. With the exception of 2 liter of Kerosene at the price of Rs. 15.90 per liter and a single gas cylinder is given to the families belonging to this category.

2. Orange Color Card:

This card is issued to a family having income in the group Rs. 1 lakh – middle section of the society. The 10 kg rice at the price of Rs. 9.60 per kg, 2 kg wheat at the price of 7.20 per kg and 750 ml. kerosene at the price of Rs. 15.90 per liter is given to a card holder family.

3. Yellow Card:

This card is given to a BPL family having annual income below Rs. 15000/-. The 25 kg rice at the price of Rs. 6 per kg, 10 kg wheat at the price of Rs. 5 per kg and 750 ml kerosene per head at rate of Rs. 15.90 per liter given to a card holder family. This card is given to agriculture labourers, small farmers, rural artisan, and unsupported people, handicapped, serious illness people who have no source of income on persons who have no social support and tribal families.

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anapurna Yojana:

The 10 kg rice per card holder family is given free of cost.

Antyodaya Anna Yojana (AAY):

This yojana has been introduced in December 2000 in order to make PDS more focused and targeted towards the poorest sections of population. Its emphasis is on identification of poorest of the poor families from amongst the BPL families covered under TPDS within the states. It aims to provide food – grains at a highly subsidized rate of Rs. 2/- per kg for wheat and Rs. 3/- per kg for rice. The states / UTs are required to bear the distribution cost, including margin to dealers and retailers and transportation costs. The quantity of 25 kg per family per month has been increased to 35 kg per family with effect from 1st April, 2002.

Situation:

The researcher has made inquiry of some Fair Price Shops and their beneficiaries in Guhagar block of Maharashtra state. Also on the basis of some other empirical studies done by scholars following evaluative observations are made.

1. No rebate is received from the government to sellers of Fair Price Shops over the last 10 years.

2. Heavy losses are incurred regularly.

3. Only run fair price shops only are not able to survive the salesmen.

4. Most of the fair price shops are operating with Kirana business of the owner.

5. Fair price shops are very beneficial to the targeted people as they improved their life sustenance.

6. Food – grains distributed are not adequate to meet the needs of beneficiaries.

7. Food and non – food items are not supplied regularly.

8. Salesmen running the Fair Price Shops in losses.

9. Quality food and non – food items are provided through Fair Price Shops.

10. Most of BPL family is defective.

11. Transportation cost increased due to irregular supply of food items.

Although, with the above, a number of other nutritional or welfare programmes have been launched under the Third Five Year Plan, however with a very small coverage to improve the nutritional status of the people concerned. By 1963 the Applied Nutritional Programme (A.N.P.) was extended over the entire country. It was discontinued in 1970 – 71 and replaced the supplementary Nutrition Programme (S.N.P.). In 1975 – 76 Integrated Child Development Service Scheme (I.C.D.S.) was launched and Supplementary Nutritional Programme (S.N.P.) was merged in it. All these programmes were launched to cover nutritional requirements of school children, pregnant and lactating mothers. The school going children were to be provided elementary nutrition via school meals / lunches.

APPLIED NUTRITIONAL PROGRAMME (A. N. P.):

Following objective:

1. To encourage the production and consumption of high nutritional foods.

2. To educate people about the nutritive value of various foods.

3. To provide food supplements to needy.

But the programme has only got a little success in realizing the objectives. It was realized that, "the poorer sections who should have been beneficiaries remained. However, the performance was more encouraging as they did reach the poor section." On the whole its performance was not good hence, discontinued at the end of the sixties.

SUPPLEMENTARY NUTRITION PROGRAMME (S. N. P.):

During the period of Fourth Plan, 40 nutritional schemes were launched with a view to provide better nutritional food to pre – school children, school going children, pregnant and lactating women belonging to the poorer income groups. The school launches programmes were for school going children.

SUPPLEMENTARY NUTRITION PROGRAMME (S. N. P.):

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This was introduced in 1970 – 71 which was initially to improve the nutrition of 0 – 3 age group children. In 1971 – 72 it was extended to cover the children in the age group of 3 – 6 years, pregnant and nursing mothers.

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study concluded the schools a lunches have a redistributinal component. Author concludes, (i) lunches provide about 1 percent of the total calories for the sample but raise the user household by 5 percent, the lunches improves the distribution of calories, (ii) school lunches become statistically more important to low income households, (iii) both lunches and ration shops probably reduce the incidence of debt amount of the poorest households.⁹ As all the welfare measures involve value component i.e. life sustenance which was failing in the past, now it can be considered by the majority rule in a democratic state to eradicate poverty among all the classes of population.

FINDINGS OF WELFARE PROGRAMMES:

Bharat Dogra finds out that, "cash generated by development found spent on non – essential goods and even the consumption of harmful goods, example liquor."¹⁰ This implies that increased income is spent on harmful goods rather than food. Increase in income or expenditure has no guarantee to increased nutritional level of the poor people. And hence, no guarantee of poverty eradication.

Welfare measures are found very influenced to enrich nutritional level of the people concerned, because they solved interferences with food preferences of the people, hence in their case food preferences are imposed by government through mid – day meals, noon – meals etc. on the concerned sections of the society, hence met the objectives. However, the coverage of welfare measures is very limited to certain population of areas. These measures are also inadequate to tackle poverty because money or cash assistance given to the people may be spent on harmful consumption rather than necessities of life. However, welfare measures have a value component and it can be alternative and ultimate solution to deal the problem of poverty.

To sum up, welfare (redistribution) programmes, all the residual programmes to a greater extent have tried to deal with the problem of poverty. The poverty eradication strategy used, into a greater extent ignored adoption of ethical considerations, which were preserved in the past. Hence, an alternative humanistic strategy which involve value component should be prepared to deal the problem of poverty and to form a better society.

Suggestions:

The puzzle of defining poverty and fixing poverty line should be resolved, so that benefit of welfare programmes be accrued properly to the targeted groups of population.

The amount of rebate to the salesmen should be given regularly, so that they will survive to run the fair price shops.

Quantity of food – grains provided through Public Distribution System should be increased. So the people be able to meet their survival needs.

Income transfer schemes should be discontinued as they have not effective in enhancing the life of targeted people in India.

Weight losses of food – grains should be avoided, so that the salesmen running the fair price shops will not face the losses.

Adequate quantity of food and non – food items should be provided.

PDS is very beneficial to uplift targeted groups of the people.

Food and non – food items should be supplied regularly and even by fixing the particular dates for collecting supply and allocating them to the people.

List of BPL families should be updated.

Precaution should be taken to avoid weight losses for food and non – food items.

Debt arrears should be released immediately and the said amount should be given to the sellers regularly to avoid other malpractices, if any.

Quality check mechanisms of food and non – food items should be made stronger by creating controls of governmental agencies / NGOs.

Conclusions: Income generating and assets creating programmes in India has limited scope to improve the lives as this income spend otherwise may not uplift poor in India. the welfare programmes like Public Distribution System. Mid – day meal programmes have an important role to improve nutritional status and life of children and poor people in India.

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