



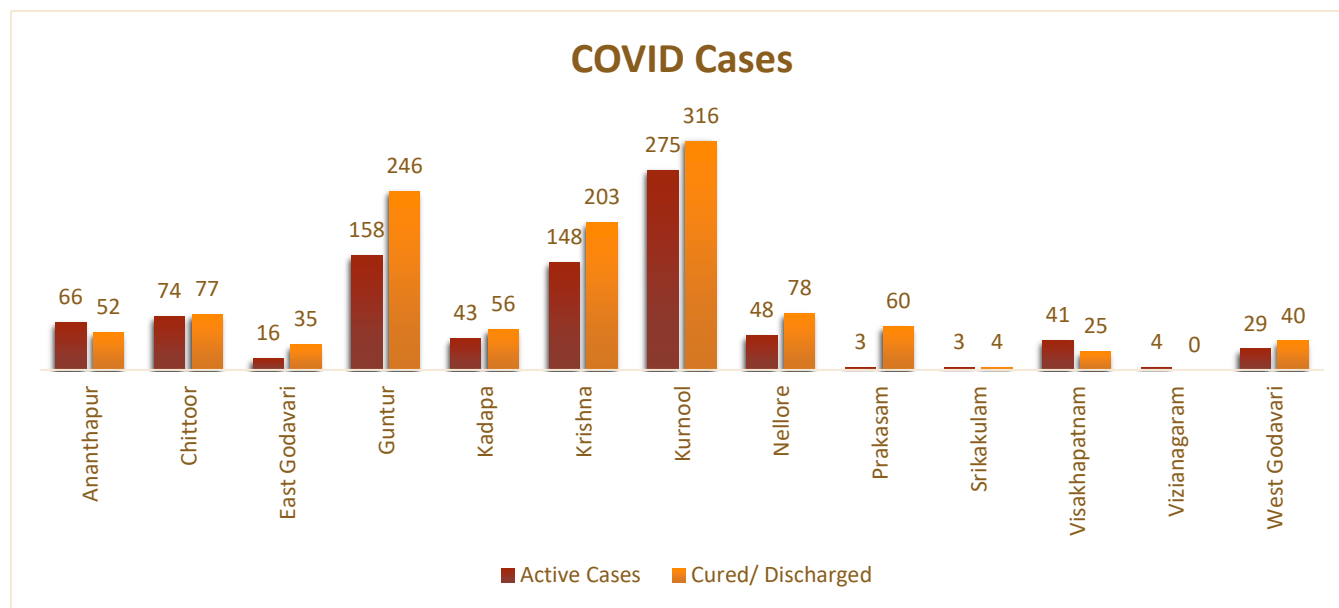
Food Security and PDS in Andhra Pradesh

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I. Context

Covid-19 pandemic poses multiple challenges to countries across the globe; with cases as high as 44,43,793 over 188 countries/regions¹, more than half of the world population is undergoing some form of social distancing. The clamping down of economic activities undertaken as a measure to contain the virus spread has caused additional distress of livelihood and food security. These deep cracks into food security coupled with disruptions in the supply chain especially in the agricultural sector disproportionately affect the marginalized groups including the informal sector workers amongst others. The consequences become dire for a country like India where the total number of informal sector workers stands at 303 million. Covid-19 may push these groups into transient poverty, as reported by ILO, a whopping 40 Crore informal sector workers will be affected and plunged into poverty. Further India also accounts for a high number of inter-state migrants, as high as a flow of close to 9 million since 2011 as per railway passenger data analysis from the Economic Survey. A significant proportion of these workers stranded at destination sources are seasonal circular migrants who find it challenging to seek alternative employment and face threat to food sustenance.



The state of Andhra Pradesh has about 2100 plus confirmed cases. The state is primarily an agrarian economy engaging a lot of its citizens in agriculture and allied industries. During these COVID times most of these tenant farmers are not able to afford the rent on land etc. and all the cash transfers go into such unseen expenditure all these push to a trend of distress selling making them all the more vulnerable. The state, which is resplendent with good water reserves also faces issues of severe water stress and exploitation as identified by the Jal shakti Abhiyan, there are about nine districts of Andhra, facing severe water stress. Along with this, there is the double burden of being flood prone during the monsoons, all

¹ John Hopkins dashboard, as accessed as on May 15, 2020

these make Andhra vulnerable to climate changes and variability. MSME, is one of the major other employers of the state. It employs around 70.69 lakh people. Most of these MSMEs (barring the ones making essential services) are deeply impacted with the lockdown. Further disruption in the supply chain and the trend of reverse migration hinders the sustenance of the MSMEs.

In this paper, we analyze the government initiatives undertaken by the Central government and the state of Andhra to ensure food security, challenges to the implementation of COVID-19 across the country, the vulnerability assessment for the state of Andhra and the missing gaps in the implementation of food safety net.

II. Measures Taken by Central and State Government

A. Central Government

The Central government has taken measures to extend its safety net programs and keep its food supply intact and reach out to the most vulnerable and poorest sections of the society through some of the below initiatives:

- **Garib Kalyan Yojana:** On March 26th, the government announced a 22.6 billion relief package, of which the food component through PDS has a crucial role. In addition to the existing ration of 5 kg of low-cost rice/wheat per month, free 5 kg of either rice or wheat, and 1 kg of preferred pulses per month, offered in two instalments.
- **One nation One Card:** This portability of food entitlements is estimated to benefit about 67 crore beneficiaries across the 23 states covering 83 percent of the Public Distribution System (PDS) population and the national portability by August 2020 as per Finance Minister's statement. Under this, free food grains of 5 kg of rice or wheat and 1 kg of chana or pulses, for all those migrants who do not fall under the Food Security Act will be given for the next two months: 8 crore migrant workers. The implementation and identification of migrants for this is left to the state.

B. State Government

As accessed from the government notifications till date the state has provided 1kg of red gram dal and the ration of rice for the month of April was provided for free to all rice card holders. A one-time support of Rs 1,000 to all rice card holding families for buying essential commodities including groceries and vegetables. The government also has notified that it will be providing free ration to NGOs running old age homes and childcare institutions. It includes 10 kg of rice and 1 kg of red gram dal per resident. The NGOs of the state has a critical role to play in providing the humanitarian relief measure, as per the Centre's reply to the Supreme court of India with regard to relief centres and food provided, 84.26 lakh people have been provided meals across the country during the lockdown, of which nearly 37% people were fed by NGOs. In Andhra NGOs fed 92 percent of the people who were provided with meals. The State government has also directed the district administration to set up Special Shelter Centres in urban areas for providing food to homeless and migrant workers.

Some of the other governance mechanisms also include mobilizing village secretariat volunteers to ensure the delivery of food to remote areas. For every 50 households one village volunteer is placed

who delivers and transfers the pension and the ration and any other benefit announced by the government. The government has set up an additional 471 temporary Rythu Bazars (farmers market) increasing its number from the existing 100 Rythu Bazar. This aims to increase the availability of essentials in abundance to citizens in every corner of the state and also ensure that farmers garner fair prices for their products and targeting to minimise the chance of distress selling.

III. Public Distribution System in Andhra Pradesh

Public Distribution System (PDS) is a social security mechanism for providing essential commodities to eligible beneficiaries at subsidised prices. While Government of India allots food grains (rice and wheat) and levy sugar to State Government from time to time under various PDS schemes, State Government has been topping it up with the issue of rice, red gram dal, kerosene and palm olefin oil to BPL families at subsidised prices.

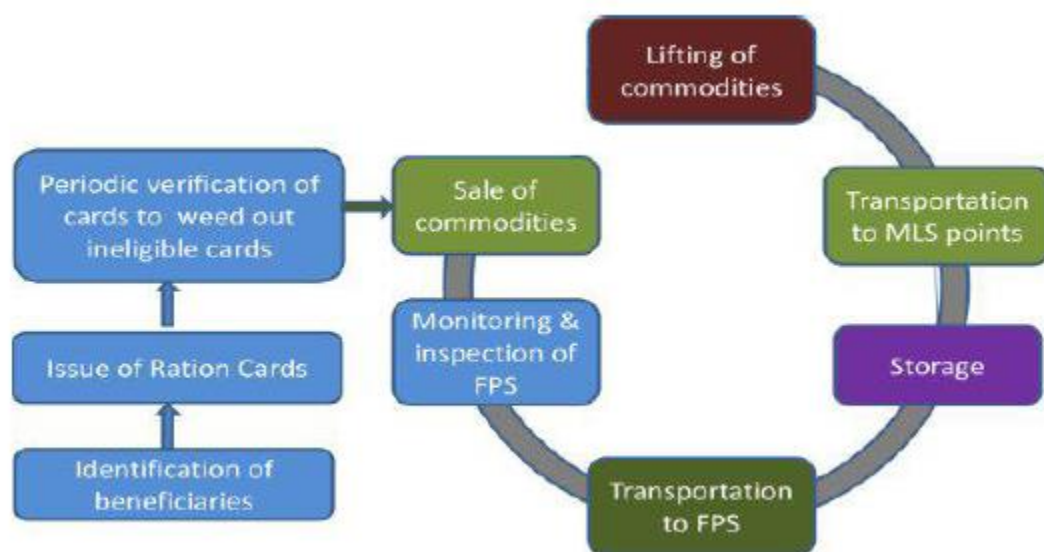


Figure 1: Supply Chain of PDS in Andhra Pradesh

Andhra Pradesh State Civil Supplies Corporation Ltd. is a State Agency appointed by the State Government for lifting Rice and Wheat from FCI and Levy Sugar from factories under PDS. It is the responsibility of the Corporation to undertake transportation, storage, and delivery of the stocks under PDS at the doorsteps of the Fair Price Shop Dealers.

The transportation of stocks from FCI/factories to Mandal Level Stock (MLS) Points is called Stage-I transportation, which is being undertaken through the district-wise Transport Contractors appointed separately for food-grains and Levy Sugar.

The transportation from MLS Point to the doorstep of the F.P. Shop Dealer is called Stage-II transportation, which is being undertaken through Corporation Vehicles and Stage-II contractors.

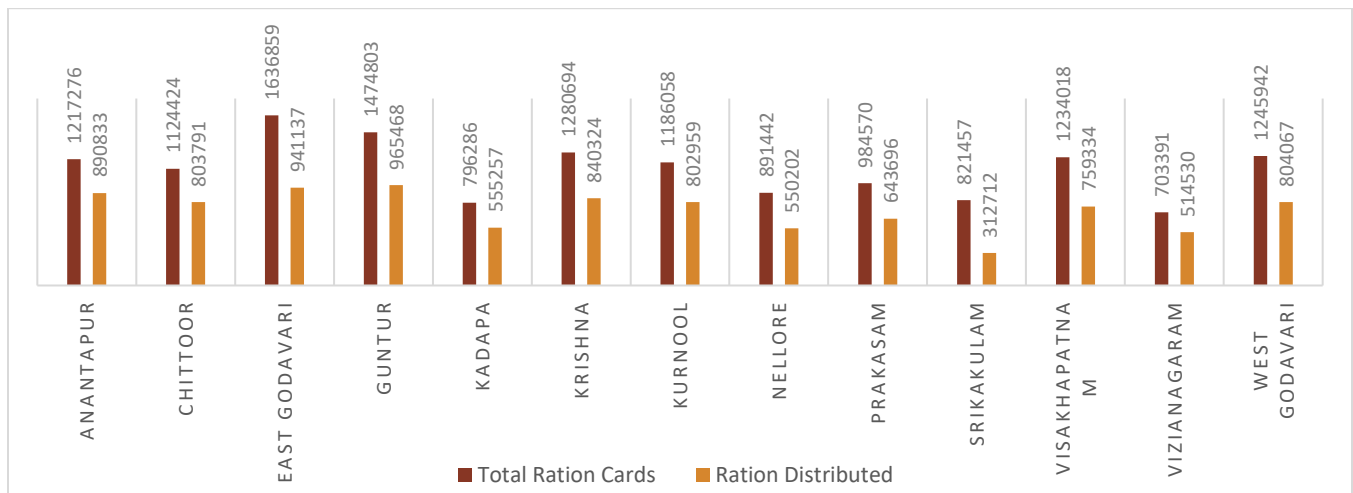
Out of total 28,599 FP Shops, **660 FP shops are identified as no signal areas** and vendors are instructed to survey with Yagi antennas for signal strength.

Andhra Pradesh public-distribution system categorises users under four different cards based on need. The most economically backward families carry the Antyodaya card—commonly called the yellow card. The pink card holders are those that fall below the poverty line. There are two other cards blue card, or non-priority with subsidy, and white card, or non-priority non-subsidy.

Challenges to PDS in Andhra Pradesh

1. Active vs Inactive Shops leading to Distribution Issues

The state has around 28, 599 Fair Price Shops for distribution of ration in the state. Apart from the 699 Fair Price Shops in the no connectivity areas, 4847 Fair Price Shops are closed in the districts.



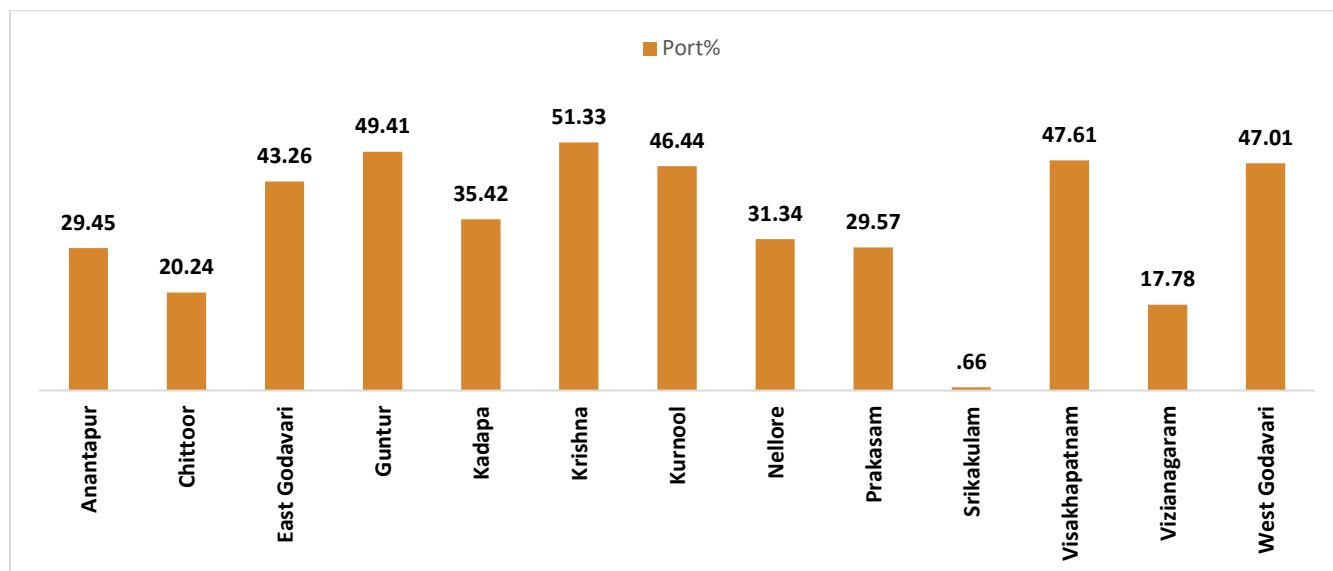
Active vs Inactive Shops Vs Distribution %						
S. No.		Total Shops	Active Shops	Inactive Shops	% of Inactive Shops	Distribution %
1	Anantapur	2963	2409	554	18.70%	73.18%
2	Chittoor	2895	2355	540	18.65%	71.48%
3	East Godavari	2192	1953	239	10.90%	57.50%
4	Guntur	2715	2277	438	16.13%	65.46%
5	Kadapa	1646	1278	368	22.36%	69.73%
6	Krishna	2277	1965	312	13.70%	65.61%
7	Kurnool	2034	1644	390	19.17%	67.70%
8	Nellore	1780	1487	293	16.46%	61.72%
9	Prakasam	2114	1748	366	17.31%	65.38%
10	Srikakulam	1967	1166	801	40.72%	38.07%
11	Visakhapatnam	1649	1488	161	9.76%	61.53%
12	Vizianagaram	1299	1145	154	11.86%	73.15%
13	West Godavari	2006	1775	231	11.52%	64.53%

The more percentage of inactive shops in the district of Srikakulam has directly hampered the distribution % of ration in the district.

A high number of Fair Price Shops are inactive (closed) in the district which creates issues for the beneficiaries. The beneficiaries are unable to procure the ration. From the above chart it is evitable that there is a correlation between inactive shops and distribution percentage.

2. Card Portability Issue

Over the past several years, the **government has introduced many reforms to strengthen its service delivery in PDS**. It launched a program on **end-to-end computerization of PDS to digitize the beneficiary database and the supply chain and enable the automation of FPSs**. The government introduced the facility of portability in PDS to further **improve the quality of service and increase competition among the fair price shops**. Through portability, the **beneficiaries can now lift their rations from an FPS of their choice rather than be tied to the FPS to which their ration card (RC) is mapped**. PDS portability in India is largely operated at the intrastate level, through which the beneficiaries are able to take ration from any FPS within their home state. In 2012, Chhattisgarh became the first state to pilot the facility of portability in two districts through the Centralized Online Real Time-Electronic PDS (CORE-PDS). The **state government of Andhra Pradesh also introduced intrastate portability for the PDS beneficiaries**.



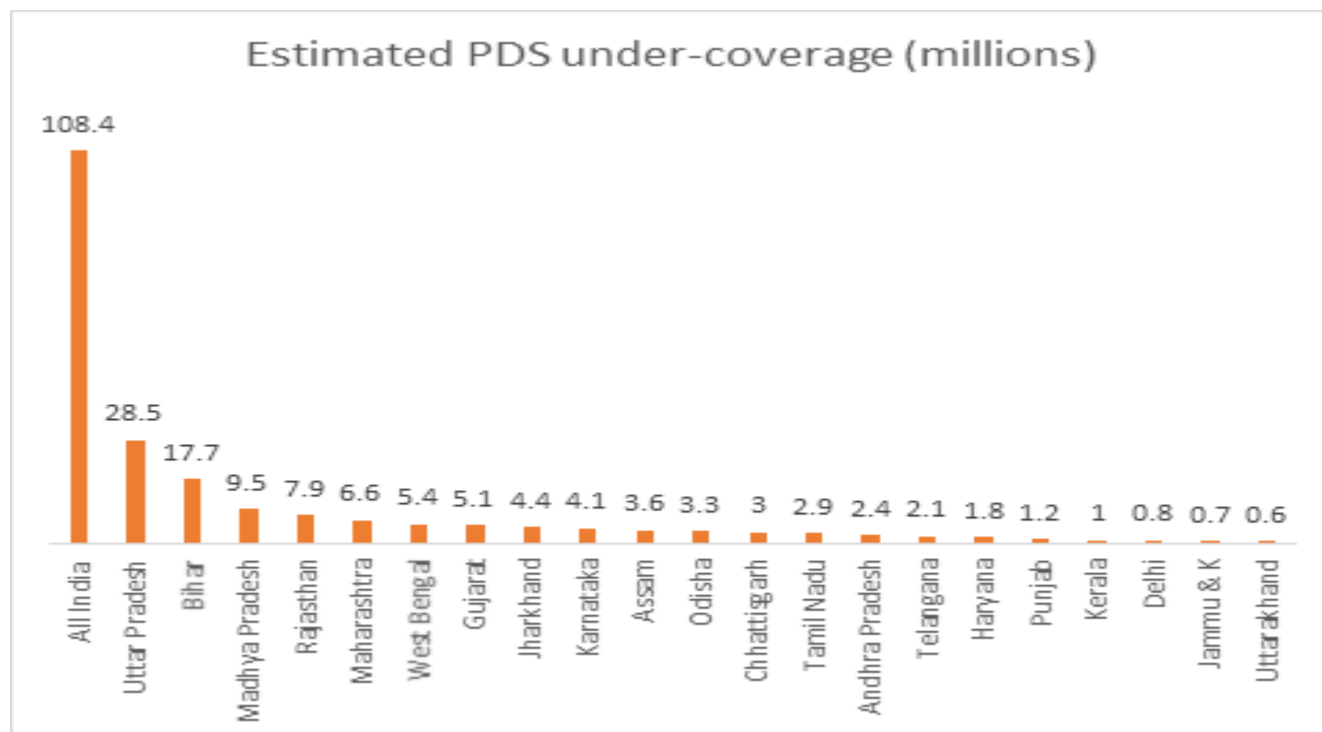
But the process of portability cards has brought a bigger challenge for the government as **the percentage of portability cards is quite low in the state at 36.91%. Srikakulam has the least portability in the state with 0.66% cards.**

Reasons for low portability:

- The leading cause of the failure was “biometric mismatch” when the system fails to identify the beneficiary biometrically.
- The difficulty of bringing automation in remote areas in difficult terrain and forest areas due to non-availability of network
- The food distribution system will require flexibility to respond to sudden changes in the number of beneficiaries across district boundaries. Other patterns of migration will also put pressure on state distribution systems. For instance, distress migration from one district will put the onus on receiving districts to ensure access to subsidised grains.

3. Inappropriate Identification of Targeted Beneficiaries

The intervention of the government through Gareeb Kalyan Yojana is likely to benefit the 80-crore people registered card holders under the NFSA. But almost 108.4 million people are excluded from this PDS as per the calculations denoted by economists Jean Drèze, Reetika Khera, and Meghana Mungikar. This is because the central government continues to use Census 2011 population figures to calculate state-wise coverage. The **estimated PDS under coverage stands at 2.4 million for Andhra Pradesh**. Last year the YSRCP govt had identified 14.2 million beneficiaries who require food relief and assistance from the government.



With the Gareeb Kalyan Yojana relief measure, the cereal measure can be denoted as adequate however the pulses allocation seems to be falling short. With regard to the distribution of pulses, as per the **Minister's statement**, an allocation of 1.95 lakh tonnes for April has been dispatched by the Centre and 93 percent of that has been received by states and only 27 percent has actually reached beneficiaries.

The Finance Minister announced the free food supply for migrants for the next two months as on May 14, 2020. Currently, the total number of states onboarded stands at 17 benefitting around 60 crores beneficiaries for one nation one card scheme. These states can implement this scheme within themselves with subsequent updation of data through dashboards containing the total number of portable cards and biometric recognition etc. **The Food Minister on May 8, 2020 had reported that off the 60-crore people potentially covered under this inter-state only an abysmal number of 200 interstate migrants made transactions per month ever since the lock-down began.** These low numbers are attributed to lack of awareness as well as the fact that most States have suspended the usage of biometric identification at ration shops as the shop owners are reluctant to use it owing to fear and stigma of infection. The non-card holders (national food security act or state-level cards) who will receive 5 kg of wheat or rice and 1 kg chana as a part of One nation one card for next two months have multiple gaps and issues which affect every state.

- Firstly, Centre has announced that the **state government** is responsible for the implementation of these measures which includes the identification and full distribution along with providing detailed guidelines. One of the most fundamental challenges with regard to inter-state migration remains that there is no comprehensive data set at a national level which tells us the flow of migrants from state- to state with the exception of few states such as Kerala and Tamil Nadu which had done their mapping of inter-state migration through surveys and studies. The Census

2011 tells us the over-all inter-state migrants, the reasons for migration etc, the numbers of which have changed drastically. This has been evidenced explicitly in the Economic survey 2017-18 which analysed the inter-state migration through some hotspots and topmost routes using railways passenger's data. The same is the case with the Periodic Labour Force Surveys which does not give us the picture of inter-state migrants in each state nor the trend and flow. With the reverse migration trend this tapping and identification becomes all the more challenging for a country like India. The Andhra government has just initiated a dashboard '**Spandana**' to track the migrant workers but however can only capture.

- Secondly as pointed out by some of the experts while the regular NFSA beneficiaries receive 10 kgs of grains ; their regular allocation plus free grains - migrant workers covered under the 20 Lakh Crore Package receive only 5 kg each for a period of two months. Most of these economic migrant workers now have no access to jobs, finding it difficult to pay rent resorting to being on streets. This has been further substantiated by a study by the Azim Premji University's State of Working India report of 2018 which states that 68 percent of the workforce is male (as per Census 2011) dominated and earns less Rs 10,000 a month. About 50 percent of the workforce earn less than Rs 5,000 a month, or less than Rs 166 a day. This meagre income, would have in most cases of workers been wiped out owing to the lockdown leaving with no option but despair

The total number of portability cards stands at 26,63,267 as of May 20 and the average portability percentage at 36.91%

4. Mid-day meal and extension of food to lactating mothers

Another issue flagged is that the mid-day meals through ICDS are not reaching the beneficiaries and most of the Anganwadi are closed across the country; with the exception of a few states like Kerala which is ensuring the delivery of mid-day meals at home. **The nutritious food intended for lactating mothers remains a concern, as specific districts of Andhra already report high levels of Anemia and during pregnancy this remains all the more a matter of grave concern. The government has provided till March 31st (working days) to the 37 govt school children dry ration including supply, rice, egg and chikkies (jaggery and groundnut cake).**

IV. Distribution Strategy of Targeted PDS in COVID

1. Utilization of the Village Volunteers and mapping them with the households for delivery of Ration at doorstep of beneficiaries
2. Deployment of social welfare departments and cooperative banks to help supply essential items
3. Create and list COVID-19 district helplines clearly on state and district websites. This can help migrants facing food shortages in urban and rural areas by providing a single, localized and trusted source of information on all things related to COVID-19. In addition, the helpline can be circulated in local newspapers, district administration and NGO WhatsApp groups etc. who in turn can direct migrants and others to it.
4. Use temporary authentication and other measures such as Aadhaar cards, ration e-coupons, election ink, etc. as alternatives to identify and distribute ration for non-registered PDS individuals. This will help in providing rations to many individuals and households who did not previously rely on rations but are forced to now, due to loss of income from the COVID-19 crisis.
5. Extend the eligibility for free ration from being available to only yellow ration card holders (BPL) to orange ration card holders (APL) considering the loss of income by many in the last few weeks. Allow migrants that are not in shelter homes to access rations out of their home states.
6. Leverage decentralized systems of active on-the-ground organisations like NGOs, welfare boards, missionaries, local self-government, trade unions, and community volunteer groups who maintain data about persons in need and can help distribute materials (ensuring last mile delivery). Issue relief passes to volunteers, include them in control rooms, and have regular briefings between district or state administration and NGO representatives.
7. In case doorstep delivery is an issue: Specify time and place for PDS distribution to avoid crowding and stockouts
8. Deliver ration at home (in use in Srinagar in J&K), or offer dry mid-day meal rations (in use in Odisha), or ready provision kits with essential supplies at kirana stores (in progress in Kerala)

Provide ready provisions kits¹⁶ (free or subsidised) with essential supplies at ration shops to save people from making trips to faraway markets, thereby reducing their exposure to infection, providing basic supplies without increasing their economic

burden, and saving them from being penalized for breaking lockdown rules. Ready rations can also be delivered as mid-day meal rations¹⁷, or, where possible, at-home deliveries¹⁸, as started by some states.

9. Establish multiple community kitchens and distribution centres and use community volunteers to institute social distancing to help people receive their free meals in a safe way without the fear of transmission. Leverage existing infrastructure of Anganwadi and schools, programmes such as mid-day meal scheme and include NGOs like Akshaya Patra¹⁹ to support community kitchens. Repurpose existing public infrastructure such as railway stations and staff to provide food and medical supplies for homeless populations.
10. Optimize the locations of the FPSs at the state level.
11. Provide information about existing and upcoming relief packages through telecom mediums such as WhatsApp, SMS, and pre-recorded announcements for phone calls. Broadcast addresses from trusted government officials on radio and television, and leverage community radio to spread awareness about schemes that people are eligible for, and the date at which they can avail them, along with a helpline number. Use established channels that routinely work on raising health awareness (such as ASHAs and other healthcare workers) to provide accurate information on relief measures, and counter misinformation at the community level.
12. Send automatic SMS alerts for Direct Benefits Transfer (DBT) or PDS to inform people when their entitlements have been deposited into their bank accounts, reducing the need to make extra visits to the banks to check if they have received their entitlements. Where people have not registered their mobile phones with bank accounts, deploy Bank Mitras to link them. Similarly, for PDS link them with village volunteers.