

## **Impact of Pradhan Mantri Garib Kalyan Ann Yojana on Poverty of Rural Areas of Rahi Block District Raebareli**

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### **Abstract**

One of the biggest topics to discuss in the country is poverty. Politicians, social thinkers, economists continuously go through deep discussion to prevent the poverty. There is an issue as who should be accepted in the poverty line or poor. The study of Ojha and Bhatt was found to be most accurate as it mentions about certain level of nutrition and also the expenditure per person in a month. The expenditure consumption can be evaluated of the basis of population. To reduce the poverty an effort was made by the government with the slogan of “GARIBI HATAO”. THE PRADHAN MANTRI GARIB KALYAN ANNA YOJANA (PMGKAY) is a scheme of the Central Government of India that provides free food grains to the poor and migrants. The scheme was launched in April 2020 to help those who were struggling due to the COVID-19 pandemic. The scheme was launched with the specific purpose of improving the misery faced by the poor and needy due to economic obstacles caused by the COVID-19 outbreak in the country. In view of COVID crisis, the allocation of free food grains, under PMGKAY was in addition to regular allocation done.

**Keywords:** Poverty Alleviation, PMGKAY, COVID-19, Measures of Poverty.

### **Introduction**

One of the biggest topics to discuss in the country is poverty. Politicians, social thinkers, economists continuously go through deep discussion to prevent the poverty. There is an issue as who should be accepted in the poverty line or poor. Government has issued two criteria which is comparative and absolute. Comparative poverty can be said when the distribution of income is unequal from one person to another, where absolute poverty is said to the growth of livelihood of the country. There is no such definition to define the poverty. Efforts were made for different criteria according to the country, circumstances. Unemployment is also the reason of poverty, which leads to slower growth an adequate amount of food availability present for the household some studies were made to measure the exact cause of poverty. Economists determine the poverty on the basis of person. The study of Ojha and Bhatt was

found to be most accurate as it mentions about certain level of nutrition and also the expenditure per person in a month. The expenditure consumption can be evaluated of the basis of population.

### **Poverty and its measurement in India: -**

To measure the poverty, one should calculate the standard of living of a person. As by Dr. Gadgil, P.S. Lokanathan, B.N. Ganguly, Rao, Masani, Mehta, Srimannarayan, Pant and Sahastrabudhe in 1962 mentioned that Rs. 20 per person per month at 1960-61 could be accepted as the poverty line. But there was a loophole in this study it does not include essential commodities such as medical and educational facilities. That is why this study was not accepted for the standard of poverty line. During 1977 group of working planning commission formed which states that the minimum requirement of nutrition per person should 2400 calories in rural areas and 2100 calories in urban areas. In the year 1979-80 it was states that minimum of Rs. 76 per person per month is required for survival in the rural areas and Rs. 88 per person per month for urban areas. But these amounts were not enough to raise the standard of living of any person. As people needs health medical, entertainment and education to beat the poverty line and raise the standard of living. As per report, the population who is below the poverty in the country has been estimated about 23 crores.

To reduce the poverty an effort was made by the government with the slogan of “Garibi Hatao”. In rural areas programs under this slogan, we know as the rural development. To improve the society and economic condition of these people.

The report by Dandekar and Rath state to provide the minimum nutritional requirement of 2250 calories per day per person in both rural and urban areas consumption in year 1980-81 and expenditure should be of Rs. 170 is necessary. The reality is whole lot different form what it is stated in the reports of different economist tells.

Poverty has two elements one where the standard of living reflects and the other one lacks minimum subsistence. Economists says that a person who cannot fulfill the basic is considered as poor. The amount of income and the power to expend the income on the minimum consumption is a symbol of poverty. The class who is not able to consume the minimum calories for its own existence is known as the below poverty line (BPL). The accurate data about poverty can only be achieved from the sixth five-year plan because lot of emphasis has been paid on the alleviation of poverty.

Poverty is a condition in a country where some population of that country does not have basic facilities like food, shelter, cloth, basic human rights etc. for any country to be developed or in developing state its poverty line should be low. The less poverty the more you will be developed. Low poverty increases the standard of living. The countries which are developed like Germany, Australia, Canada etc. have low poverty, whereas India, unfortunately facing high levels of poverty and during the Covid-19 pandemic the condition of poverty had greater than worse by pursuing the thousands of people below the poverty line.

**Objectives of the study:** - Some objectives of the study are given below-

- To know that recent changes in poverty measurements and trends.
- To attempt to ascertain the various steps earlier taken by the government for poverty alleviation.
- To know that how much poverty alleviate by the PMGKAY in adopted area Rahi district Raebareli.

**Research Methodology:** -

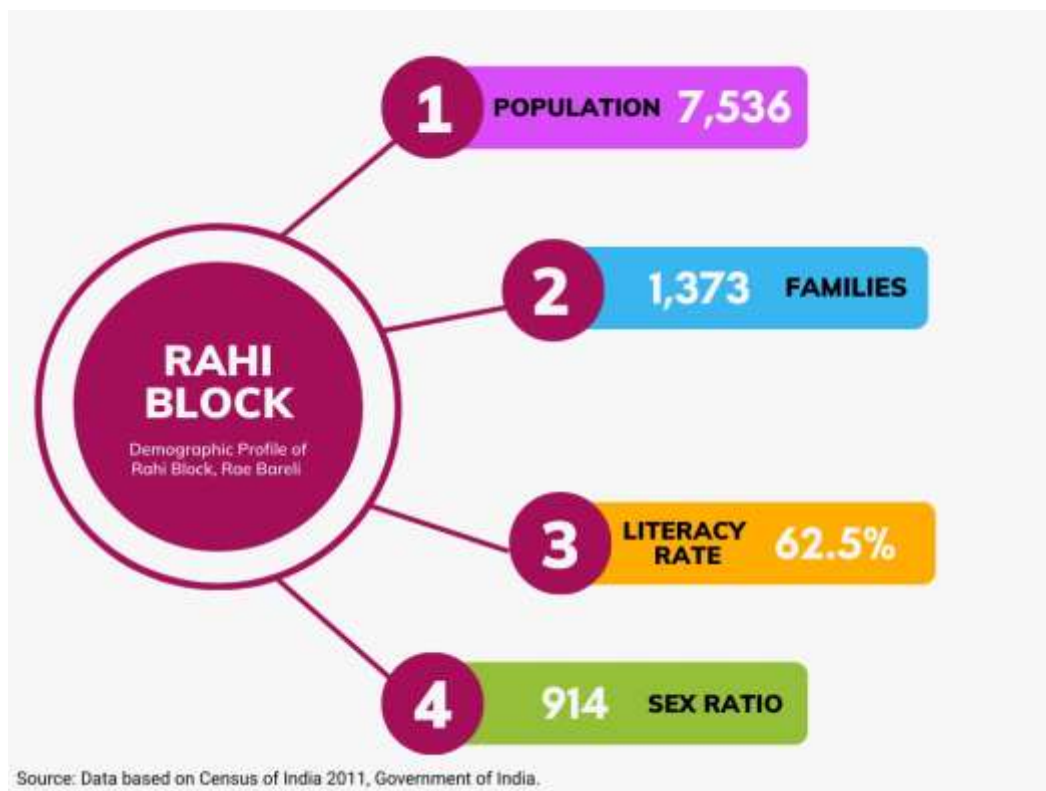
This research used primary and secondary data. We collected data from different sources. For primary data, we prepared a questionnaire.

With the help of the above questionnaire, we collected responses from an adopted area. The size of the collected data was more than 10% of the beneficiaries in the concerned area. We collected responses directly from the beneficiaries and tried to understand the actual situation of the scheme. Statistical tools used in data analysis.

**About Rahi:** -

Rahi Block is an important development block in Raebareli district of Uttar Pradesh. This block falls under Raebareli Sadar tehsil and is located approximately 6–7 km from Raebareli city. Rahi block is one of the important blocks from the administrative, agricultural and rural development point of view. There are a total of 18 development blocks in Rae Bareli district, of which Rahi is a major block. The Rahi block has an elevation of approximately 118 meters above sea level. The area is entirely rural. Most of the population in Rahi block is rural. The main occupation of the population is agriculture and wage labor. This block is created for administrative, rural development and operation of schemes at the Panchayat level. Rahi

block is located very near to the headquarters of Raebareli district. According to the 2011 census, Rahi block has a total population of 7,536, including 1,373 households. The sex ratio is 914 and the literacy rate is 62.5%, as shown in the figure-1, that is given below.



**Figure- 1 source- data based on census of India, Government of India.**

### **Measures of the Poverty (International, National- Past to Present)**

As poverty is the one of the biggest issues in India is facing right now. It is the government's responsibility to ensure that people of their country should be provided by the necessities and a right to live with dignity with a proper food, sanitation, rights, shelter, and cloth. World bank has also set a limit of poverty line of \$1.9 per day anyone who earns below this amount will be considered in poverty. About 200 million people are in poverty in India to reduce the number government of India has launched many programs to prevail the situation by poverty over the years.

Over time, the definition of poverty has become more comprehensive. According to the modern perspective, poverty is not merely an economic deficiency, but also a state characterized by a lack of opportunities, social exclusion, and deprivation from the process of development.

### **International Measures: -**

Over time, numerous methods and definitions for measuring poverty have prevailed at the international level, some of which are outlined below-

#### **Early Approaches-**

During the early years of the twentieth century, poverty was measured primarily based on income and consumption. In various countries, an individual's poverty status was determined based on a minimum income threshold.

#### **Poverty Criteria of World Bank-**

At the international level, the International Poverty Line established by the World Bank is widely accepted as the standard for measuring poverty. Initially, it was set based on an income of \$1 per day. Subsequently, it has been revised periodically.

Currently, the World Bank recognizes an income of approximately US \$2.15 per day (based on Purchasing Power Parity) as the International Extreme Poverty Line. This implies that if an individual's daily income falls below this threshold, they are considered to be living in extreme poverty.

#### **Multidimensional Poverty Index (MPI)**

In the contemporary era, relying solely on income to define and understand poverty is no longer considered sufficient. Consequently, the Multidimensional Poverty Index (MPI) was developed. This index incorporates a range of indicators related to education, health, and standards of living.

This index prepared on the basis of the following indicators:

- Availability of Nutritional food and healthcare services
- Enrolment of Primary, secondary and Higher education.
- Availability of drinking water and sanitation

- Availability of electricity and Pakka House.
- Availability of cooking fuel

If a household is found to be deprived across several of these indicators, it is deemed to be multidimensionally poor.

### **Indian Measures-**

In India, the measurement of poverty has remained a significant policy issue since the independence. The government has periodically determined the poverty line by constituting various committees and expert groups.

### **Initial Efforts-**

In the years immediately following independence, consumption expenditure was adopted as the basis for estimating poverty. At that time, it was assumed that the amount an individual needs to spend to secure a minimum caloric intake should serve as the basis for the poverty line.

### **According to Dandekar and Rath-**

In the 1960s, Dandekar and Rath conducted a comprehensive study on poverty in India. They concluded that a significant portion of the country's population was living below a minimum standard of living. This study drew the attention of policymakers to the severity of poverty.

### **According to Planning Commission's Methodology-**

In the 1970s, the Planning Commission adopted the caloric norm as the basis for determining the poverty line. The poverty line was fixed by establishing a minimum requirement of approximately 2,400 calories per day in rural areas and 2,100 calories per day in urban areas.

According to this methodology, if an individual's consumption expenditure was insufficient to secure the necessary caloric intake, they were classified as poor.

### **According to Lakdawala Committee-**

In the 1990s, the Lakdawala Committee introduced a revised methodology for poverty estimation. This approach utilized state-specific price indices to account for price differentials across various states.

### **According to Tendulkar Committee-**

In 2009, the Tendulkar Committee introduced significant changes to the methodology of poverty measurement. The committee deemed a purely calorie-based approach insufficient and recommended the inclusion of expenditure on education, health, and other essential services.

Under this methodology, the poverty line was determined based on consumption expenditure, yet it sought to better incorporate the actual cost of living.

### **According to Rangarajan Committee-**

In 2014, the Rangarajan Committee presented a different approach for determining the poverty line. This committee incorporated non-food requirements—such as education, health, transport, and housing alongside food requirements.

According to the Rangarajan Committee, the poverty line should be defined in such a way that an individual can fulfil their minimum requirements in a dignified manner.

### **Challenges in Measuring Poverty-**

There are some challenges to maintain a proper criterion for measuring poverty for every location of the world. Some challenges are given below-

- The first challenge is that the cost of living varies across different regions. Consequently, a single poverty line cannot be equally applicable to all locations.
- The second challenge is that poverty is not solely an issue of income. Often, even if an individual possesses a relatively high income, they may still face a lack of opportunities in education, healthcare or employment.
- The third challenge is that people's needs evolve over time. Amenities that were once considered luxuries have now become integral necessities of life.

The parameters for measuring poverty have continuously evolved over time. In the early stages, poverty was measured primarily based on income and consumption, whereas currently, greater emphasis is being placed on a multidimensional approach. At the international level, standards such as the World Bank's poverty line and the Multidimensional Poverty Index are being widely utilized.

In India as well, the methodology for measuring poverty has been periodically revised based on the recommendations of various committees. From the Dandekar and Rath Committee to the Tendulkar and Rangarajan Committees, each has introduced new perspectives for understanding and measuring poverty.

Today, it is evident that poverty is not merely a state of economic deprivation, but rather a condition characterized by the lack of access to basic amenities and opportunities in life. Therefore, for the eradication of poverty, it is essential that policies are not confined solely to income growth, but also encompass comprehensive reforms in sectors such as education, health, employment, and social security. It is through this holistic approach that the creation of a society becomes possible one in which every individual can lead a life of dignity.

### **Earlier steps taken by the Government to eradicate Poverty: -**

Poverty acts as a serious impediment to the socio-economic development of any nation. In a vast and diverse country like India, the problem of poverty has been shaped by historical, structural, and policy-related factors. At the time of independence, the majority of India's population was living below a minimum standard of living. To address this challenge, the Government of India implemented numerous schemes, programs, and policy interventions across various stages.

Since the very inception of the planning era, the government has demonstrated an inclination toward the subject of poverty alleviation; however, concrete efforts in this direction could only be undertaken following the conclusion of the Fifth Five-Year Plan. Indeed, with the commencement of the Sixth Five-Year Plan, the objective of poverty alleviation was accorded the highest priority. Whether one attributes this to irony, a scarcity of funds, or an oversight on the part of the planners, the fact remains that—following two centuries of colonial subjugation and the attainment of independence—priority could not be assigned to alleviating the poverty of the masses. A delay of thirty years occurred before a consensus could be reached and action initiated on this critical issue. This represented a deeply pessimistic outlook. To rectify this error, the objective of poverty alleviation was accorded the highest priority in all Five-Year Plans implemented since 1980; consequently, successive governments have executed numerous large-scale programs aimed at poverty alleviation within each subsequent Five-Year Plan. Some impressive plans are given below-

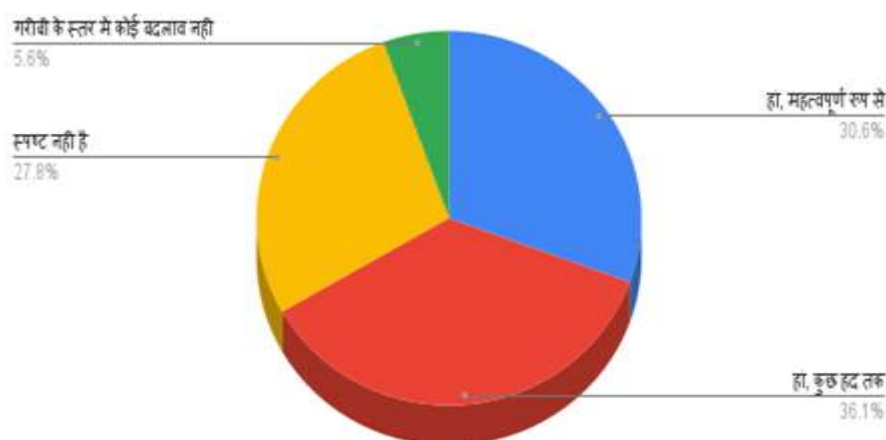
- **Integrated Rural Development Plan (IRDP)- 1979**
- **Training of Rural Youth for Self-Employment (TRYSEM)- 1979**
- **Development of Women and Children of Rural Areas (DWCRA)- 1982-83**
- **Indira Awas Yojana (IAY)- 1985.**
- **Jawahar Rojgar Yojana (JRY)- 1989**
- **Million Well Scheme (MWS)- 1989-90**
- **Unnat Toolkit Scheme- 1992**
- **Swarna Jayanti Gram Swarozgar Yojana (SGSY)- 1999**
- **Mahatma Gandhi National Rural Employment Guarantee Scheme (MNREGA)- 2006**
- **Pradhan Mantri Jan Dhan Yojana (PMJDY)- 2014**
- **Pradhan Mantri Kaushal Vikash Yojana- 2015**
- **Pradhan Mantri Ujjawal Yojana (PMUY)- 2016**
- **Pradhan Mantri Garib Kalyan Yojana (PMGKY)-2016**
- **Pradhan Mantri Kisan Samman Nidhi Yojana (PM-KISAN)- 2019**

Efforts to alleviate poverty have been made through numerous such schemes. These programs launched a direct and forceful assault on poverty and, in many instances, achieved success. However, due to their reliance on a singular perspective, these programs merely—or nearly—managed to attain their predetermined targets. While some programs surpassed their set objectives, a lack of coordination and cohesion prevented them from realizing the true and ultimate goal that was meant to be achieved.

### **Impact of PMGKAY and Poverty with reference to Rahi block-**

The analysis of the data from the aforementioned research also revealed that this scheme has had an impact on the poverty levels of the beneficiaries in the selected block Rahi. During the study of the data, it became clear that 30.6% of the beneficiaries acknowledged that this scheme had made a significant contribution to reducing poverty in their households. 36.1% of beneficiaries reported that the scheme has been somewhat helpful in reducing poverty. 27.8% of the beneficiaries were unable to clarify their situation on the issue. However, 5.6% of beneficiaries were also observed who believed that this scheme had neither improved their standard of living nor alleviated their poverty. Which is shown in figure-2

### Perceived Impact of PMGKAY on Household Poverty



**Figure: -2 data**

**source primary data.**

From the primary data and analysis presented above, it is clear that this scheme has played a significant role in reducing poverty in the block. While the PMGKAY provides food security to beneficiaries, it has also played an effective role in reducing poverty because they no longer have to spend money on this. This means they can spend this money elsewhere to improve their standard of living. Analysis of the data revealed that 66.7% of the people in the selected area agreed that this scheme has helped them reduce poverty, while 27.8% could not clarify their situation. This indicates that their situation either improved or remained unchanged. In both cases, PMGKAY played a significant role as this scheme did not allow their situation to deteriorate. Only 5.6% of the beneficiaries believed that there was no change in their situation. Analysis of the data clearly shows that approximately 95% of the beneficiaries can be considered satisfied with this scheme, which can be considered an indicator of the success of any scheme.

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