

Anaj Bank: An attempt to undo hunger in remote areas

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Abstract

Given the highly problematic thrust area of food security in India, the prospect of mediation through small scale interventions to reduce the incidence of hunger and malnutrition by ensuring food accessibility should not be neglected. In this context, the article assesses the Anaj Bank, a locally devised strategy for tapping food security deficit, which chalks out significant deliberative intervention which can potentially and timely enable consumption smoothing in the food deficit lean season. It facilitates households to borrow grains in the lean agriculture season on the nominal interest rate to be returned in the form of grain only in next harvest season. It is generally located in distressed and isolated conditions and thus can act as a first line defence against food security shocks, and respond more rapidly and nimbly, especially compared to large, centralised programmes such as the public distribution system (PDS).

Keywords: Anaj Bank, food security, food deficit, food management, harvest festivity, Self Help Group, public initiatives, Hunger Index

Niti Ayog (2016) observes that there is a disjuncture between rapid economic growth and nutritional status in India. Resonating the vulnerable health profile, FAO (2018) estimates 14.8 per cent of the Indian population as undernourished in its report titled 'The State of Food Security and Nutrition in the World, 2018'. The

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report further notes 51.4 per cent of women in the age group between 15 to 49 years are anaemic. In Global Hunger Index (GHI) based on four parameters – affordability, availability, quality and safety, 'India has slipped from 95th rank in 2010 to 102nd in 2019, with the increase in prevalence of wasting (low weight for height) among children under five contributing the most to the country's poor performance' (Waghmare, 2019).

There are many reasons attributing to the food distress and fair number of scholars have attempted this vital question in understanding the underlying scenario. Few of the noted concerns are: malfunctioning subsidised food security public initiatives, public institutions underscoring the problematic only in arithmetic and thus defying social factor associated with food etc. This paper focuses and argues on food as an entitlement and how the lack of it may umpteen hunger cases. While we don't discount the importance of macro- technocratic supra view of state's attempt in undoing hunger, but it is vital to realise that this is a limited and narrow view of the food security problem. A study by Borton and Shoham (1991) shows that despite sufficient food availability, people were food insecure as they lacked entitlement.

The argument put forth by Sen (1981) is that the issue is not essentially the availability of food but rather about the potential of an individual or a household to acquire that food. Forwarding the argument, Krawczyk (2017) in his work submits that ability to access food by an individual or household hitherto depends upon on their potential to produce food for own consumption (Physical access like- land, equipment) or to earn income (economic access). The potential to access food for instance according to

Agarwal (2003) is due to absence of cultivable land entitlement by nearly half of its population.

Given the highly problematic thrust area of food security in India, the prospect of mediation through small scale interventions to reduce the incidence of hunger and malnutrition by ensuring food accessibility should not be neglected. With this background, this article focuses on Anaj Bank a locally devised strategy for tapping food security deficit, which chalks out significant deliberative intervention by it which can potentially and timely enable consumption smoothing in the food deficit lean season. It facilitates households to borrow grains in the lean agriculture season on the nominal interest rate to be returned in the form of grain only in next harvest season. *It is* generally located in distressed and isolated conditions and thus, 'can act as a first line defence against food security shocks, and respond more rapidly and nimbly, especially compared to large, centralised programmes such as the public distribution system (PDS) or the Integrated Child Development Scheme.' (Bhattamisra, 2008).

Except for few countable articles, reports in media and case studies, the systemic empirical evidence is presently absent. This mandates the urgency to empirically test in local conditions the vitality and reliability of such locally manufactured best practices in seeking solutions to the poor hunger index of the country.

The study employing grounded research uses the base line data drawn from Government of India 2011 census. A multi stage sampling method was used to select the research site following hierarchal selection approach, i.e., State → District → Block → Village. Following the schema, In the state of Uttar Pradesh, District Jalaun, block

Rampura was chosen. The study is focused on existing 16 Anaj bank in this block namely in the village: Mirjapura, Andela Madaiya, Kadampura, Siddhapura, Ninawali, Chhodi Bed, Laxmanpura, Malhanpura, Bhaktpura, Rathauranpura, Mahoota, Chandanpura, Naraul, Munnekapura, Kishunpura, and Poosekapura.

Based on the study's epistemological and ontological stance, qualitative data collection was a preferred mode. The idea was to let empirical material influence theory rather than the opposite. The rationale for site selection is three fold: Rampura block in Jalaun district falls within Bundelkhand terrain which is highly vulnerable with its reported prolonged drought condition. The food security is deepening the crisis as is evidenced by district report from National Family Health survey 4, 2015-16 (IIPS 2017, NFHS-4, 2015-16). Rampura block belongs to underdeveloped districts of Uttar Pradesh where development indicators like road and electricity are minimally present. Third, PARMARTH, NGO intervention is quite visible in promoting the Anaj Bank in this locality. They readily agreed to independent research of its food security drive.

The layout of this article is bifurcated into three sections. The first section will seek to interrogate multifaceted factors which propelled the formation of Anaj bank in Rampura block of Jalaun district, Uttar Pradesh. In the second section, the findings from Anaj bank are presented discussing, for example, its procedural modalities, membership composition, its function in a monopolistically – competitive market with the corresponding analytical discussion. In the last leg of this article, the utility of imbibing an Anaj Bank in a remote setting marked with food

deficit scenario will be reassessed alongside its potential for prompting creative policy arrangements.

Section I: Reasons propelling the introduction of Anaj Bank

To unravel the causes in, we will briefly interrogate health and agricultural profile along with base line data. Health indicators for Jalaun, our case study district, indicate the vulnerable health profile of people there, even with the overall situation in rural UP. As is illustrated in Table 1, 26.5 per cent of women and 21.5 per cent of men in rural Jalaun district have a body mass index (BMI) below normal (BMI < 18.5 kg/m²). With regard to the age category of 6 to 59 months, 85.3 per cent children are declared anaemic; the maximum percentage of anaemic cases among children is in the age group of 12-17 months. Women and men are 9 per cent and 3.1 per cent more anaemic in rural Jalaun than they are in rural UP on an average. Only with regard to BMI index does rural Jalaun perform better than the state average.

Table 1: Health Measurement

Parameters of Health Measurement (NFHS-4), 2015-16	Rural India	Rural Uttar Pradesh	Rural Jalaun
Women whose Body Mass Index (BMI) is Below Normal (BMI < 18.5 kg/m ²) 14(%)	26.7	28.1	26.5
Men whose Body Mass Index (BMI) is Below Normal (BMI < 18.5 kg/m ²) (%)	23	29.1	21.5
Children Age 6-59 months who are Anaemic (<11.0 g/dl) (%)	59.5	62.7	85.3
All Women Age 15-49 Years who are Anaemic (%)	54.3	52.4	61.4
Pregnant Women Age 15-49 Years who are Anaemic (<11.0 g/dl) (%)	52.2	51.4	67
Men Age 15-49 Years who are Anaemic (<13.0 g/dl) (%)	25.3	25	28.1

Source: Consolidated from NFHS -4 DATA, 2015-16: Uttar Pradesh

This clearly depicts that our large-scale subsidised safety net programme like: Public Distribution System (PDS), the Integrated Child Development Scheme (ICDS), the Mid-Day Meals Scheme (MDM) have failed in translating their core objective of averting nutritional deficiencies amongst the poor. Apart from institutional failure in delivering apt and accessible services, the villages are often incapacitated to earn their own food due to glum agricultural scenario. In expanding the scenario, the study relied on district data in the absence of block level data on crop production to have a broader understanding. The study found from district crop's production over the years from 1997 till 2014 that other than Sesamum and Potato, there is registered decline in Rabi and Kharif crops (Table 2).

Table 2: Season wise, Crop Production trend

JALAUN	Crops	1997	2006	2014
Kharif	Arhar/Tur	9023	6019	1750
	Bajra	18327	26385	12932
	Jowar	10065	19857	5877
	Rice	1053	1217	890
	Sesamum	353	4133	4490
	Soyabean	11017	883	18
Rabi	Barley	16517	7369	8856
	Gram	54430	36923	11736
	Rapeseed & Mustard	3908	6940	3591
	Wheat	246624	328038	206239
Whole Year	Potato	4856	140416	5798
	Sugarcane	79372	10176	54341

Source: Open Government data platform in India

It is important to note, that Bundelkhand region of Uttar Pradesh which includes Jalaun district is highly climate-vulnerable landscape (Kedia, 2010) making agriculture highly susceptible to climate stress. In recent past, Jalaun has seen worst of drought years from 2010-2014. In absence of any resolute administration to cover the transition cost for shifting to a more drought resistant farming, many farmers are averse to invest heavily in agricultural inputs in tune to climate hazard. According to anecdotal evidence, the other allied service like animal husbandry in the block also perennially suffered. The practice of Annapratha or Chooth Pratha wherein the domestic animals are left free to roam during lean and rainy season have destroyed approximately to about 25 to 35 percent of agricultural produce during Kharif season. Most of the animals are underfed, and as per empirical account many cattle move far off and die.

It is thus not surprising that there is a registered threefold increase in the outstanding credit from rural and semi urban branches of commercial banks in Uttar Pradesh's Bundelkhand region i.e., Rs 2,319 crore in 2010 to Rs 6114 crore in 2013, according to Reserve Bank of India (Bera, 2015). The ramification of findings in Rampura Block of Jalaun district introduces us to divergent and complex startling realities which further pronounce the need to have a locally manifested decentralised initiative encompassing the contextual needs and local complexities.

Profile of Rampura based on base line data

Before we specifically dwell on understanding the specifics of Rampura block, a glance at its parent district will be helpful in setting the agenda for testing the hypothesis of viability of Anaj

Bank in social and geographical setting like Rampura which is prone to climate hazard and far from meeting developmental parameters.

The population according to the census report (2011) in Rampura block is 54.25 per cent of male and 45.75 per cent of the female. 14.77 per cent of its population comprises of children aged between 0-6 years. The sex ratio is 843 per 1000 male, which is lower than its parent district, Jalaun (859) and Uttar Pradesh (918) in totality. The despicable performance of Rampura is reflected by female and a male literacy rate of 37.15 per cent and 62.85 per cent respectively which is also lower than the district and state average. Further in Rampura block which is home to 31.47% of total SC population of the district, only 65.41% of SC male and 34.59% of SC female are literate.

In terms of employment rate, 24.97% of the total population wherein 87.68% male (higher when compared to district and state level data) and 12.32% female (lower when compared to district and state level data) in the Jalaun district is working as the main worker. The percentage of marginal workers in the block is 9.82% of the total district population which is low in comparison to both state (35.4%) and district level (34.3%) data. Further, while the situation of employment in the category of male agriculture labour (76.85%) and male cultivators (88.2%) is better in the block when compared to district, the opportunity is only limited to 23.1% women agricultural labourer and 11.70% of women cultivator which is dim when compared to district statistics.

Contemplating the agricultural, demographic and employment data, the reasons beyond food consumption pattern in Rampura

block been integrated into its agriculture calendar is evident, wherein the quality, quantity of food consumption changes according to availability of food. As empirically noted, everyone in the 16 sampled villages is at least food insecure for few days with a mean of 62% population from sampled village hunger stricken for at least 3 months. People are generally food insecure in the Rampura block from the month of October to February. The consumption in the lean season mainly depends on reserve food stock (which is lean) and limited purchase capacity flowing from the sources like Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) wage. However the recorded narration factors the inefficacious performance of MGNREGA and thus difficulty in getting job / payment. Women have been the worst victim since they have been patriarchally trained in consuming less and at the end.

Therefore, in the absence of fewer alternatives, the propelling conditions favour the establishment of Anaj Bank. In all probability, villagers toil to make Anaj bank a success story in order to attain a higher level of functional utility from it.

Section II: Anaj Bank Findings

Anaj Bank Modalities

In accounting the reasons on why these specific 16 villages in Rampura block were chosen sites for implementation of the scheme supported by the local NGO, Parmarth? Anecdotes foregathered from the field workers seems to be working along the argument augmented by scholarship like of Olson (1965) which bespeaks about the negative impact of large size group on collective action. All the villages featuring Anaj Bank in Rampura block ranges from less

(kishanpura village, 39 households) to average (Naraul, 428 households) number of households when compared to other villages in the block. PARMARTH accounts that the cost of coordination, monitoring increases if Anaj bank is planted in larger villages along with the probability of free rider problem.

Under Jan Muhim project, PARMARTH advisory supported the Anaj bank in 16 villages of Rampura Block, Jalaun with the start up credit of 5 quintal grains to offset food distress specifically in lean seasons. The study notes that every Anaj bank was established just after harvest season to ensure considerable contribution by its member. This gives a sense of ownership. Thereby, the vested interest of household members in ensuring the functional and successful Anaj Bank becomes essential to prevent their loss if Anaj Bank collapse. Additionally, it has been instrumental in formulating the Anaj bank by-laws and managerial mechanism.

These Anaj Bank predominately deal with procurement and dispersal of Bajra and Wheat and charges interest of 25% per annum on the principal amount of grain taken as loan. The principal amount and the interest should be returned after the next harvest. However, if a beneficiary fails to timely return it, Anaj Bank gives them an opportunity to return it after the next harvest season with an additional 25% of interest. Payment in instalments is also facilitated in cases where the beneficiary is not able to return the entire loan altogether. The nominal interest rates according to many is a befitting instrument to overcome the drawbacks of local money lending.

Though, all the banks been set up under the project do not necessarily function on linear modalities. While few Anaj banks

are managed by the core committee of members, some are collectively governed by all the members. The core management can be a mixed composition of male and female members, or it can be an absolute women centric group governing Anaj Bank as per its by-laws. Gram Chetna Samiti and Mahila Mandal which are parallel operational community group across many of these villages have an instrumental role in selecting the beneficiaries. The distinct feature of Rampura block's 16 Anaj banks is the facility of inter loaning between them. It is a convenient arrangement for the Anaj bank falling short of supply to function effectively. Also, a request by a Anaj bank to another can be made to release their surplus in support to a non member households. On such requests, in an emergent meeting, the concerned surplus bank in consultation with its committee members takes a decision. If surplus Anaj bank agrees to extend their help, it is the responsibility of the Anaj bank of the village that initially forwarded the request to ensure that the due quantity of food grain is returned to the lending bank after the next harvest by the non member beneficiary.

Anaj Bank meetings are held twice in a year. One immediately after harvest in May-June to collect loan repayments and further take note on defaulters case. The second meeting is convened at the beginning of the lean season October-November to assess the needs of the people and match up with the available stocks to disperse the grains to needy on a priority basis. The date of dispersal of grains is publically announced in an open meeting. Due information by members on the possibility of their absence from the meeting needs to be communicated to the Anaj bank in advance to ensure the collection of grains later. The minimum quorum to initiate the

process of grain dispersal requires the mandatory presence of at least 5 members. The working ethics of Anaj bank involves maintenance of ledger where details of stock, grain distribution, and collection are maintained as well as the Proceedings Register, for noting down proceedings of the monthly meeting.

Enforcement of Anaj Bank Contract

The sampled 16 Anaj bank villages reflect a close knit group sharing moments of life together. This close affiliation allows each individual to possess knowledge about the fellow members.

The unwritten script of contract, therefore, refraining the system of state policing or judicial courts actualize as a self enforcing wisdom precipitating from peer monitoring and fear of social sanctions. Frequent interactions among the members of the household also subsidize the transaction and information cost. In his seminal work Ghatak & Guinnane (1999) have proven theoretically and empirically that fear of social sanction results in high repayment rates overcoming free rider problems. Contrary as pointed by Mude (2006), these benefits are not always acknowledged continuously, as in some cases the proximity of community networks likewise produces power and social relations that repress proficient or dynamic dissemination of assets and impedes peer monitoring process. However, in the rural hinterland of Rampura block whereby seasonal food insecurity is a repeated occurrence and in the absence of another viable alternative to cap the stress, there are few or no better alternative present and functioning then Anaj bank forcing its member to abide by rules. Further these villages which have relatively lower mobility, have adapted to dynamic incentives that is increasing the loan size over time to ensure lower default rates

assuming that participants will not want to withhold the possibility to access larger amount loan in future.

Membership Composition

Around 2004-05 in the quintessential model, PARMARTH endorsed the drive for Anaj Bank formation in 16 villages of Rampura block, by channelizing community cooperation. To attract significant no. of villagers to join the community food security drive, the membership of Anaj bank was kept voluntary and inclusive. Despite the fact that in none of the village entire community became its member, nonetheless the membership has seen a marginal to significant increase over the time as per every Anaj bank's documentation. Probing the inclusive character of the banks, the study finds that an average female participation in management coterie ranges across villages from 40% to even 100% in some villages like Malhanpura. Except for two villages Kishanpura and Rathanpura which have no SC population, the deprived members of scheduled caste community are significantly engaged in these banks. The anecdotal evidence suggests that household which eschewed from taking its membership are either food secure or have guaranteed access of grains from kith and kin in times of distress and thus do not require to borrow grains for consumption smoothing. The other kind which are by intension excluded from its membership are those individuals/ household which has repeated and sorry history of debt repayment or does not share a cordial relation with larger village community or are excluded on caste based factor.

Positioning Women in Anaj Bank

In depth interviews in some of the villages of Rampura block during the author's visit in summer of 2019, adjourns the popular myth about the unitary model of family. Gary Becker (1981) for

example, in his work, conceptualised household as a single entity wherein all household resources and incomes are pooled, and an altruistic head of household representing the household utility, taste and preferences seeks to maximize it further. Juxtaposed, the campaign against male liquor consumption in the Rampura block by women is an evidence that greater disparity exists over the expenditure preferences. This is an important reason on why women in particular were made members of the Anaj bank, as, it is assumed that women accords more significant concern to better health functioning of the household and thus they will be disciplined members who timely repay the loan without defaulting. This exactly corresponds as a reason as to why women remain the primary target as a client in most of the microcredit schemes like Grameen bank or Foundation for International Community Assistance (FINCA). Though there are reservations to such assumptions and claims.

The study put forwards the argument, similar to those forwarded by Bina Agarwal (1997) that vulnerabilities embedded in the households differs on the ability of the person to physically survive outside the ambit of family. Greater the ability greater would be the bargaining power of the person over subsistence. Anaj bank in the given parlance has the potential to rescue the limitation women face due to patriarchal setup, wherein they cushion the specific vulnerabilities of women by providing them with fall back options.

Correlation between Anaj Bank and the presence of other local community institution

Anaj bank's successful functioning can additionally be reinforced by other existing jointly owned community institutions in the

village like Self Help Group (SHG), catering to credit and borrowing requirements. The inference has been drawn from the fact that higher is the level of interaction among the villagers through the medium of the regular meeting of these communities, greater will be the social cohesion, in turn, stimulating the longevity of the Anaj bank. In sampled 16 Anaj bank villages in Rampura block, the other prominent community institution having distinct functions than Anaj Bank are Gram Chetna Samiti, Mahila Mandal, Laxmi Self Help Group.

Anaj Bank - An inbuilt self insurance

Grasping from anecdotal evidence, the consumption loan been delivered by Anaj Bank is not just limited to its primary function of managing the lean food insecurity months but extends further in assisting member households with subsisting health vulnerabilities, wedding functions, etc. Anaj Bank thus is a package integrated with insurance against idiosyncratic shocks. Since the interest return is lower than the interest charged on obtained cash from moneylenders, it remains an alluring source of credit.

Anaj bank - Enabling savings

The adaptation technique adopted by villagers in the block to mitigate the food insecurity during lean season as recorded by open ended conversation with PARMARTH field staff, reveals two fold strategy: decline in food consumption especially women who have learnt to forgo their nutritional requirements to feed the rest in the family and, increase in consumption credit from local moneylender. Since the money lender who charges a high rate of interest does not ask collateral to be mortgaged, they remained as swift vantage for accessing loan. Repayment of the loan

however, often limits an individual's capacity to save during harvest season, creating a cycle of borrowing and debt. Additionally, the study also noted through its discussion with the field staff about the non saving habit of villagers before the commencement of Anaj banks in the block. Bhattamishra (2008) empirical study in Odisha talks about the social life of villagers indulging in lavish feast and alcohol as a mark of post harvest festivity describing the hyperbolic or time inconsistent preferences of villagers when contrasted with future food insecurity in the lean agricultural season. Such lavish investment in social and cultural life by villagers in Rampura block resonates the same problem of villagers short sightedness or impatience for near term trade offs compared to future trade offs. The consequent corollary is adapting to less eating habit in food inconsistent period as also evidenced by major locally observed fasts which categorically falls in the lean agriculture season.

Juxtaposed, numerous scholarship account (see Rutherford, 1999) are also present which talks about individuals demand for a tailored mechanism which can abbreviate commitment difficulty and enable savings. In absence of easy to understand and accessible institutional mechanism, the method adopted as a saving device were like; digging the floor of the house to keep the valuables or entrusting the savings to the trustworthy or placing the cash/gold in containers without anyone's knowledge in the house. Such informal saving method is often at risk of getting displaced. Anaj bank in such a scenario, act as a formal institutional commitment saving product which enable savings and simultaneously deal with self control problem.

Further Anaj Bank by its more formal character ensues trimming the rate of social taxation over liquid assets, which when left to the neighbour or a relative is vulnerable and prone to be lost under constant requests to aid the deprived relative, friend, neighbour or a spouse in times of distress. The investment thereby in a community led structure like Anaj Bank is a gambit, whereby disbursement is timely managed and is subject to management decision. The saving decisions hence become alluring with its effect on lowering the rate of social taxation (Bhattamisra 2008)

Anaj Bank Vs. the Traditional Credit System in Rampura Block

Numerous accounts exist supporting the ideational notion of borrower's welfare resulting from displacement of reliance on moneylenders by Anaj banks since the latter provides credit at more favourable terms than the exploitative conditions tailored by local moneylenders. Empirical evidence further triangulates it. The study outlines that borrowing from local money lenders has been among the most popular and highly used form of adaptation technique mainly to bear food related expenses in the lean season. Contrasted now, 90 per cent of the Anaj bank members in Rampura block are procuring consumption credit from Anaj bank functioning in their village. This is indicative of the fact that Anaj banks have facilitated consumer welfare by averting the borrowers reliance on credit often on humanitarian terms by money lenders. .

In contradiction, few distinct scholarships have theoretically postulated the broader overview of a contrary disservice to borrower's welfare under complex and constrained circumstances

resulting because of unregulated competition between potential credit providers. The seminal work by Hoff and Stiglitz as cited in Ruchira (2008) predict how, "the introduction of subsidized credit into a monopolistically – competitive market with high enforcement costs can lead to the exit of incumbent lenders and higher prices for borrowers." However as reported from the field, the interest rate has remained the same. One of the probabilities of being stable with interest rate may be resultant fear of losing more clients to its newly emerging competition. Since, it is beyond the scope of this study to ascertain how the existence of a Anaj bank which provides a specific type of loan for consumption smoothening may affect traditional money lending system; what we presented here is a naïve assertion which requires further proofing by empirical research on this particular point.

Conventional banks vs. Anaj Banks

The Anaj Bank is principally different from the conventional mode of banking. The clients/beneficiaries in Anaj methodology are not bound by a legal instrument as is the case between lenders and borrowers in a conventional system. The defaulter's case in Anaj Bank is not put in the courts to recover loan unlike in conventional banking. Such borrowers are allowed with the flexibility to repay their loan latter. In conventional banking method, the interest rate can heap and overflow the principal amount maxim, but in Anaj bank the interest is freezed when it becomes equal to the principal amount. The conventional system in their quest to recover loan amount does not shy from taking the borrowers collateral in their possession, Anaj banking management, on the other hand, ensures that the loan amount of defaulter in distress is paid through a collective voluntary collection. In an unfortunate

circumstance of borrowers loss of life, the liability of repayment is not transferred to the deceased family's instead the system of an inbuilt insurance mechanism takes the burden off on repayment. This is unlikely of the conventional banking system of operation. Thereby easier banking version facilitated by Anaj Bank is making it much popular among the villagers in the block.

Section III: Conclusion

Through the lens of Anaj bank, we understand food security as a subject, an agent, an identity, a medium of expression of one's rights and entitlement. It has a wider social framework to it. It can lead to conflict or cooperation and empowerment. Anaj bank resonates the idea of Maxwell (1990) on food security which, "will be achieved when the poor and vulnerable have secure access to the food they want".

This study is an add on to the literature (Subbarao et al. 1997; Alderman 2002; Conning and Kevane, 2002; Coady et al., 2004) which is spearheading the fact that social assistance arrangements which gives space to community discretion in managing and designing the procurement of welfare services and distribution thereon, better targets the poor populace than those which refrain community intervention. When contrasted with PDS, which is highly subsidized and expensive on the central government purse, Anaj Bank secures an upper hand given its acceptance. Since choices are made and executed by the office bearers of Anaj Bank, there are fewer slacks or hurdles and operational adaptability, contrasted with the public schemes like PDS.

However, like all other community-based institutions, Anaj banks are also susceptible to leakages, misappropriation, and captured

by local elites. PARMARTH field workers cite in-group favouritism as a reason which according to their experience may fail the system. Marques (1994) coined the word "black sheep effect" which works on in-group bias, effectively discrediting those in the group who threaten the positive social identity of the group by deviating from dominant benchmark. While the exclusion of non likeable members is fostered, misappropriation and nepotism also flows from it in favouring likeable members and thus, weakening the very foundational philosophy of Anaj bank. Besides, the lack of experience of management committee members can also attribute to the failure of Anaj Bank.

What Anaj Bank, however, can learn from its sister scheme elsewhere in sub Saharan Africa which functions on three modalities: buy, store and sell grains. Cereal bank in sub Saharan Africa, primarily functions to procure grains after the harvest season on low prices and sells its stock in the village during lean season when prices soar, on the rate above the original purchase price and below the thriving market price. With the generated revenue, it refines its procurement in the subsequent harvest season (CRS 1998). Anaj bank on the similar lines can assist the producers to market their grain in urban centres where the market price is high.

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