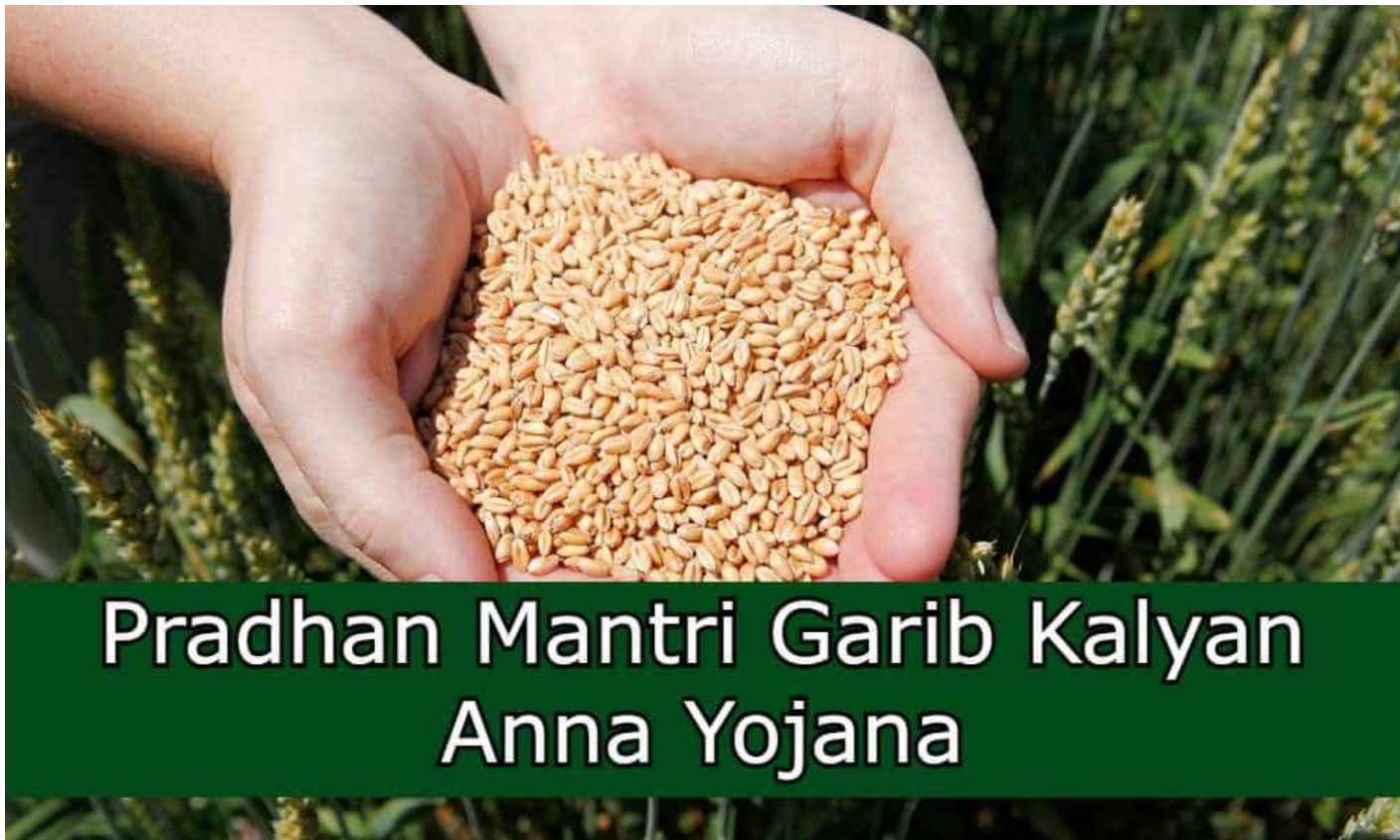


Free foodgrains for 81 crore people under NFSA

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What's in today's article?

- **Pradhan Mantri Garib Kalyan Yojana (PM-GKAY)**
- **National Food Security Act**
- **News Summary**

Why in News?

- The Union government said it would provide free foodgrains to beneficiaries under the National Food Security Act, 2013, as per their entitlement, for a year beginning January 2023.
- It has, however, discontinued the Pradhan Mantri Garib Kalyan Anna Yojana launched in April 2020 amid Covid-19.

What is Pradhan Mantri Garib Kalyan Anna Yojana (PM-GKAY)?

- PM-GKAY is a food security welfare scheme announced by the Central Government in March 2020, during the **Covid-19 pandemic**.
- It is a part of Pradhan Mantri Garib Kalyan Package (PMGKP) to help the poor fight the battle against Covid-19.
- **Objective:** To feed the poorest citizens of India by providing grain through the Public Distribution System, to all the **priority households** (ration card holders and those identified by the Antyodaya Anna Yojana scheme).
 - Launched in 2000, Antyodaya Anna Yojana is a Centrally Sponsored Scheme to provide highly subsidised food to millions of the poorest families.
- **Implementing Agency:** Department of Food and Public Distribution, Ministry of Consumer Affairs, Food and Public Distribution
- Nodal ministry: Ministry of Finance.
- More than 80 crore beneficiaries are provided 5 kg free wheat/rice per person per month.
- This is in addition to the 5 kg food grains already provided to the beneficiaries under the **National Food Security Act, 2013**.
- It is known as the largest food security programme in the world.

What is National Food Security Act (NFSA)?

- The NFSA, 2013 was notified to provide for food and nutritional security, by ensuring access to adequate quantity of quality food at affordable prices to people to live a life with dignity.
- It provides **a legal right** to persons belonging to “eligible households” to receive food grains at subsidised price/central issue prices under the Targeted Public Distribution System (TPDS).
- State governments are tasked with identifying Antyodaya Anna Yojana (AAY – poorest of the poor) and priority households (PHH) beneficiaries within the TPDS-covered population.
- Every person in the PHH category receives 5 kg of food grains per month at – **rice at Rs 3/kg, wheat at Rs 2/kg and coarse grain at Re 1/kg**.
 - Each Antyodaya Anna Yojana (AAY) household gets Rs 35 kg of food grains per month.
- The Act covers up to 75% of the rural population and up to 50% of the urban population for receiving subsidised food grains (overall **67%** of the total population).

News Summary

- The government decided to provide free foodgrains to 81.35 crore people for one year under the National Food Security Act (NFSA) at an estimated cost of Rs 2 lakh crore.
- It has, however, discontinued the Pradhan Mantri Garib Kalyan Anna Yojana (PM-GKAY).

- PM-GKAY has been merged with the NFSA. Now, the entire quantity of 5 kg and 35 kg under the NFSA would be available free of cost.
- The discontinuation of PMGKAY comes at a time when the foodgrains stock has depleted over the months.

WHY PMGKAY, NFSA WERE MERGED	
LOWER FOODGRAIN STOCKS	HIGHER ECONOMIC COST
As on Nov 30, combined stock of rice (115.42 lakh metric tonne) and wheat (190.27 LMT) was at 305.69 LMT. This was lower than the figure of 591.56 LMT (rice 213.03 LMT, wheat 378.53 LMT) on Nov 30, 2021.	Economic cost for rice has increased to Rs 3,670.04 per quintal this year from Rs 3,597.17 last year. For wheat, it has gone up to Rs 2,588.70 per quintal from Rs 2,499.69 per quintal last year.

Image Caption: Reason for merger of NFSA and PMGKAY

- With this decision, for the first time, India will have a Central food security legislation which gives the poor a 'right' to receive 5 kg foodgrains free of cost.
 - Earlier, the poor paid a small price of Rs 3 per kg for rice and Rs 2 per kg for wheat.
- The decision softens the blow the poor may suffer with the PM Garib Kalyan Anna Yojana being discontinued by the end of the month.

Food allocation and estimated bill

FOODGRAIN ALLOCATION UNDER NFSA (FOR FY23, IN LMT)				
	Rice	Wheat	Nutri-cereals	Total
Antyoday Anna Yojana	71.07	28.68	0	99.75
Priority Households	272.8	144.76	6.3	423.86
Targeted PDS (tide over)	20.94	5.46	0	26.4
Total under Targeted PDS	364.81	178.9	6.3	550.01

Image Caption: Foodgrain Allocation under NFSA

- As per the latest allocation order for December, 13.67 lakh metric tonnes of wheat and 31.72 lakh metric tonnes of rice are required under the NFSA.
- The monthly requirement of the PMGKAY stood at about 40 lakh metric tonnes (wheat: 7 lakh metric tonnes and rice: 33 lakh metric tonnes).
- Discontinuing the PMGKAY would, however, save **the government Rs 15,000 crore a month or about Rs 1.8 lakh crore a year.**

Q1) What is a fair price shop?

Fair Price Shop means a shop which has been licensed to distribute essential commodities by an order issued under section 3 of the Essential Commodities Act, 1955, to the ration card holders under the Targeted Public Distribution System.

Q2) Is Food Corporation of India a statutory body?

Yes. FCI is a statutory Organization constituted under Food Corporation's Act, 1964 and has been carrying out its operations since 1965 with an objective to trade in food grains and other foodstuffs.

Source: Free foodgrains for 81 crore people under NFSA

Source: <https://vajiramandravi.com/current-affairs/free-foodgrains-for-81-crore-people-under-nfsa/>

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