



## Extension of Pradhan Mantri Garib Kalyan Anna Yojana

**For Prelims:** [Pradhan Mantri Garib Kalyan Anna Yojana](#), [National Food Security Act, 2013](#), [Antyodaya Anna Yojana](#), Targeted Public Distribution System, e-Rupi.

**For Mains:** Issues Arising out of Design and Implementation of Government Policies, Beneficiaries under NFSA.

**Source:** IE

### Why in News?

Recently, the Indian Prime Minister has announced an extension of the [Pradhan Mantri Garib Kalyan Anna Yojana \(PMGKAY\)](#) for an additional five years.

### What is PMGKAY?

- The **PMGKAY** was first introduced in 2020 during the [Covid-19 pandemic](#), and was designed to provide 5kg free foodgrains to eligible ration card holders under the [National Food Security Act, 2013 \(NFSA\)](#).
- Initially set to **expire in December 2022**, the scheme was extended till **December 2023** and now, it has been **extended for an additional five years**.
- Since its inception, the government has allocated 1,118 lakh metric tonnes of foodgrains from its central procurement pool at a cost of **Rs 3.9 lakh crore**.

### What is the National Food Security Act, 2013?

- **About:**
  - **National Food Security Act, (NFSA) 2013** marks a paradigm shift in the approach to food security from **welfare to rights based approach**.
- **Beneficiaries:**
  - The Act legally entitled **upto 75% of the rural population and 50% of the urban population** to receive subsidized food grains under **Targeted Public Distribution System**.
    - About **two thirds of the population therefore is covered under the Act** to receive highly subsidized foodgrains.
  - It encompasses two categories of ration card holders: [Antyodaya Anna Yojana \(AAY\)](#) and **Priority Households (PHH)**.
    - As a step towards **women empowerment**, the eldest woman of the household of **age 18 years or above** is mandated to be the head of the household for the purpose of issuing ration cards under the Act.
- **Provision:**
  - Under this program, **AAY households are entitled to receive 35 kg of foodgrains every month**, regardless of the number of family members.
  - Priority Households receive food grains based on family size, **with each member getting**

**5 kg per month.**

▪ **Merger of PMGKAY and NFSA:**

- In January 2023, the **PMGKAY was integrated with the NFSA**, resulting in the provision of all rations for AAY and PHH families at no cost.
- This merger **eliminated the extra provisions that were introduced during the Covid-19 pandemic** by incorporating the free component of the PMGKAY into the NFSA.

## What are the Impacts of the Extension of PMGKAY?

▪ **Positive Impacts:**

- **Addressing Immediate Food Security Needs:** The extension provides **relief to lower-income households**, ensuring continued access to essential food supplies, addressing immediate food security concerns.
  - In times of economic distress or natural disasters, the **program provides a safety net**, offering immediate relief to those facing sudden hardships, ensuring basic sustenance during crises.
- **Boosting Rural Economy:** The **procurement of foodgrains** for the scheme provides support to local farmers and agricultural communities, **contributing to rural economic growth and stability**.
- **Social Cohesion:** The program fosters a sense of community welfare, where government initiatives ensure **no one goes hungry, promoting social cohesion** and a sense of collective responsibility towards those in need.

▪ **Negative Impacts:**

- **Long-term Fiscal and Economic Concerns:** The program's extension incurs significant fiscal costs.
  - Over time, the **cost may escalate due to rising procurement expenses**, leading to a burden on the government's budget.
  - There is a risk of straining the fiscal deficit, especially if accompanied by lack of corresponding revenue increases.
- **Distortion in Market Dynamics:** The extended scheme, by providing free or highly subsidized foodgrains, **might disrupt market dynamics, impacting the agricultural sector and distorting prices**.
- **Dependency and Sustainability Issues:** The perpetuation of free foodgrains could **create dependency among beneficiaries**, reducing the drive for self-sufficiency or alternative livelihood efforts.
  - Depending on government handouts may not be a sustainable, long-term solution for addressing poverty and hunger.
- **Competitive Populism and Policy Consistency:** This extension might lead to **competitive populist measures** among political parties, which may drive unsustainable policies and put pressure on public finances.

## Way Forward

▪ **Short Term:**

- **Digital Vouchers for Food Access:** Utilizing **e-Rupi as digital vouchers** specifically for purchasing essential food items.
  - The government can allocate E-Rupi vouchers to targeted beneficiaries, **ensuring that the funds are utilized solely for purchasing nutritious food**.
- **Crowdsourced Distribution Networks:** Developing technology platforms or apps that facilitate the **distribution of excess food from individuals, restaurants, and supermarkets to those in need**.
  - This would involve community participation in identifying surplus food and efficiently distributing it to those who require it.

▪ **Long Term:**

- **Economic Empowerment Programs:** Instead of perpetual handouts, there is a need to **invest in programs that empower individuals economically**.
  - This could include **skill development, job training, and entrepreneurial opportunities** to help people become self-sufficient.
- **Gradual Reduction of Subsidies:** Instead of abruptly stopping the free ration program,

**gradually phase it out while simultaneously implementing other support systems.** This can help avoid sudden shocks to vulnerable populations and the economy.

## UPSC Civil Services Examination, Previous Year Question (PYQ)

### **Prelims**

**Q. With reference to the provisions made under the National Food Security Act, 2013, consider the following statements: (2018)**

1. The families coming under the category of 'below poverty line (BPL)' only are eligible to receive subsidised food grains.
2. The eldest woman in a household, of age 18 years or above, shall be the head of the household for the purpose of issuance of a ration card.
3. Pregnant women and lactating mothers are entitled to a 'take-home ration' of 1600 calories per day during pregnancy and for six months thereafter.

**Which of the statements given above is/are correct?**

- (a) 1 and 2 only
- (b) 2 only
- (c) 1 and 3 only
- (d) 3 only

**Ans: (b)**

### **Mains**

**Q.1** In what way could replacement of price subsidy with Direct Benefit Transfer (DBT) change the scenario of subsidies in India? Discuss. **(2015)**

**Q.2** What are the salient features of the National Food Security Act, 2013? How has the Food Security Bill helped in eliminating hunger and malnutrition in India? **(2021)**