

Additional Free Of Cost Foodgrains To Be Distributed To NFSA Beneficiaries

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Government of India has decided to allocate free-of-cost food grains @ 5 Kg per person per month to nearly 80 Crore beneficiaries covered under National Food Security Act, 2013 (NFSA) over and above NFSA foodgrains for next two months i.e. May and June 2021 on the same pattern as the earlier Pradhan Mantri Garib Kalyan Anna Yojana (PM-GKAY).

Key Highlights

- Under this special scheme (PMGKAY), around 80 Crore NFSA beneficiaries covered under both categories of NFSA, namely Antyodaya Anna Yojana (AAY) and Priority Householders (PHH), will be provided with an additional quota of free-of-cost foodgrains (Rice/Wheat) at a scale of 5 Kg per person per month, over and above their regular monthly entitlements under NFSA.
- Government of India will bear full expenditure of over Rs 26,000 Crore on account of cost of food grains, intrastate transportation etc. as part of Central assistance to States/UTs.

- With the second Covid-19 wave once again rendering millions of poor jobless and triggering another exodus of migrants, the Central government today decided to distribute 5 kg grains free of cost to all the 800 million beneficiaries of the National Food Security Act over and above their regular quota in May and June 2021.
- The scheme which will be along the lines of the Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY) launched during the first Covid wave last year, will cost the Centre Rs 26,000 crore in subsidies over and above its usual PDS subsidy bill of Rs 1.8 trillion in FY22.
- Not only this, the extra subsidy burden on account of free distribution of grains should not concern the government as much this year as the last, because unlike the end of FY21, FCI does not have any outstanding dues on its books from previous borrowings in FY-22.
- However, unlike the previous Garib Kalyan Anna Yojana, the government this time has not decided to distribute any free pulses along with wheat or rice, as it simply does not have adequate stocks in its warehouses.

SOURCE: *The Hindu*