Extension of Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY)

Why in news?

The Union Cabinet has approved the extension of Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY-Phase VII) for a further period of 3 months (October to December 2022).

What is PMGKAY?

- **PMGKAY** - The Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY) is a free food grain scheme introduced by the government during the first nationwide lockdown due to Covid-19 in March 2020.
- Under this scheme, the center provides **5 kg of free food grains per month** to the poor.
- This is in addition to the subsidized (Rs 2-3 per kg) ration provided under the National Food Security Act (NFSA) to families covered under the Public Distribution System (PDS).
- It will be provided to around 80 crore beneficiaries covered under both categories of NFSA,
    - **Antyodaya Anna Yojana (AAY)** - entitled to 35 kg foodgrains per household per month
    - **Priority Householders (PHH)** - entitled to 5 kg per person per month
- The scheme can be availed through the One Nation One Ration Card (ONORC) plan.
- The scheme has been extended many times ever since its introduction.
- **Need for extension of PMGKAY -** To support the poor and the vulnerable during the festival season (food security)

The Parliamentary Standing Committee on Food and Public Distribution and an IMF-published working paper commended the PMGKAY scheme for providing social safety net that absorbed a major part of the pandemic shock.

What are the concerns?

- **Relevance of freebies** - There has been much debate on the relevance of freebies.
- **Resource crunch** - The Expenditure Department at the Centre did not favour the scheme, citing a funds crunch.
- **Relevance** - It also held that such a scheme was no longer needed in non-pandemic times.
- **Opaqueness** - There is a criticism that the scheme lacks transparency and public disclosures.

What is the need of the hour?

- **Transparency** - The central authorities should commission a study and make its findings public.
- **Nutrition security** - The Centre should consider providing 1 kg pulses to States on a regular basis for free or at subsidised rates.
- **Controlling the budgetary allocation** – The rules on quota for rice or wheat can be changed suitably.
- In the non-pandemic period, the problem of diversion assumes a bigger dimension where people encounter practical difficulties in storing rice or wheat.
- **Updation of database** – There is a need to update the database of foodgrain-drawing card holders and scrutinise the data critically.
- **Use of technology** - Technological tools can be applied in the PDS such as Aadhaar, automation of fair price shops and capturing of the biometric data of beneficiaries.
- **Pricing** - Under the PMGKAY, the government can supply the foodgrains at a reasonable price rather than free of cost.

References

1. The Hindu | Weighing in on PMGKAY, the free grains scheme
2. Business Standard | What is PMGKAY?

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