





## **BUDGET BRIEFS**

Vol 13/Issue 7

# Food Subsidy and the National Food Security Act (NFSA) Gol, 2021-22

**Food Subsidy** is provided by the Government of India (GoI) for the supply and distribution of foodgrains and other essential commodities.

With the passing of the **National** Food Security Act (NFSA) 2013, nutritional security became a right. Under the Act, adequate quantities of quality food are to be provided at affordable prices to two-thirds of India's population.

Against the backdrop of the COVID-19 pandemic, this brief uses government data to analyse:

- Allocations, releases, and expenditures under Food Subsidy;
- Trends in storage/stocking, procurement and distribution of foodgrains;
- Coverage under NFSA; and
- Trends in allocations, offtake, and distribution of foodgrains under the Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY).

#### Cost share and implementation:

Funds are borne by GoI, with state governments having the option to choose between directly procuring foodgrains or opting for centralised procurement via Food Corporation of India (FCI).

### **HIGHLIGHTS**

₹2,56,948 cr

Gol allocations for Ministry of Consumer Affairs, Food and Public Distribution (MoCAF&PD) in FY 2021-22 ₹ 2,42,836 сг

GoI allocations for Food Subsidy in FY 2021-22

### **SUMMARY & ANALYSIS**

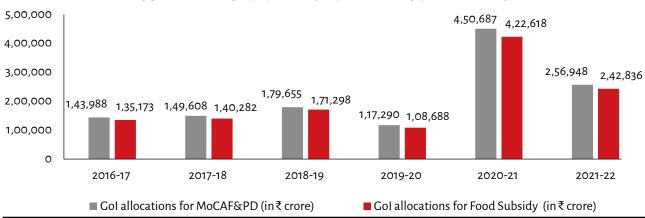
- For Financial Year (FY) 2021-22 Budget Estimates (BEs), Gol allocated ₹2,56,948 crore to MoCAF&PD, a 43 per cent decrease from previous year's Revised Estimates (REs) but more than double the BEs.
- Food Subsidy is the largest scheme of the Ministry and follows a similar pattern. Allocations for FY 2021-22 BEs stood at ₹2,42,836 crore, a 43 per cent decrease from the previous year's REs but more than double the BEs.
- Over the years, a significant part of funding for the Food Corporation of India (FCI) has come from loans, including the National Small Savings Fund (NSSF). Consequently, since FY 2013-14, the debt burden of FCI has increased fourfold and was ₹3,27,865 crore at the start of FY 2020-21. Union Budget 2021-22, however, discontinued financing through NSSF loan from FY 2020-21 REs and provisioned about ₹1.5 lakh crore as pre-payment of NSSF loans to FCI.
- As of November 2020, coverage of eligible beneficiaries under NFSA, calculated using projected populations for 2020, was 89 per cent.
- Under PMGKAY, during the eight months of implementation from April to November 2020, 91 per cent of lifted foodgrains were distributed. Distribution of foodgrains to migrant workers under Atma Nirbhar Bharat Package was lower at 42 per cent, as on 18 September 2020.

- The Public Distribution System (PDS) is Government of India's (Gol's) flagship programme aimed at ensuring food security to Indian citizens through the supply and distribution of foodgrains and other essential commodities.
- In June 1997, GoI launched the Targeted Public Distribution System (TPDS) scheme with a focus on providing subsidised grains and essential commodities to six crore vulnerable sections of the society. The families were divided into two categories: Below the Poverty Line (BPL) and Above the Poverty Line (APL).
- The implementation of the scheme is the joint responsibility of GoI and states. At the GoI level, the scheme is implemented by the Department of Food and Public Distribution (DoFPD) and the Food Corporation of India (FCI).
- In December 2000, TPDS was expanded with the launch of two more schemes that focus on targeting the most vulnerable and poor. These were the:
  - o Antyodaya Anna Yojana (AAY) which provides foodgrains at a highly subsidised rate of ₹2 per kilogram (kg) for wheat, and ₹3 per kg for rice to one crore of the poorest families within the BPL category.
  - o Annapurna scheme which provides 10 kgs of foodgrains per month free-of-cost to senior citizens who are not covered by the National Old Age Pension Scheme (NOAPS).
- In 2013, the enactment of the National Food Security Act (NFSA) made the provision of adequate, quality food at affordable prices, and ensuring nutritional security became a right. The Act is meant to cover about two-thirds of India's population, and is currently being implemented across all states and Union Territories (UTs). The Act relies on the existing TPDS mechanism to deliver these entitlements.
- In the light of the COVID-19 pandemic, on 26 March 2020, GoI announced the Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY), providing additional foodgrains to eligible beneficiaries free of cost. The scheme was implemented for a period of eight months from April 2020 to November 2020.
- This brief looks at the trends in Food Subsidy and implementation of the NFSA with a special focus on the PMGKAY.

### TRENDS IN GOI ALLOCATIONS AND RELEASES

- At the start of Financial Year (FY) 2020-21 Budget Estimates (BEs), GoI had allocated ₹1,24,535 crore to the Ministry of Consumer Affairs, Food and Public Distribution (MoCAF&PD). Revised Estimates (REs), however, increased over threefold.
- For FY 2021-22 BEs, GoI has allocated ₹2,56,948 crore, a 43 per cent decrease over the previous year's REs but double the BEs.
- Food Subsidy is the largest scheme of the Ministry, contributing to changes in the Ministry's allocations. DoFPD provides reimbursement to the FCI and states for procuring foodgrains from farmers at government notified prices known as Minimum Support Price (MSP). These are then sold at subsidised prices known as Central Issue Prices (CIPs). The difference between total cost of procurement (MSP and other incidentals) and CIP is provided by GoI as Food Subsidy to FCI. The foodgrain subsidy also covers the storage cost incurred by the FCI in maintaining buffer stocks to ensure food security in the country.
- At the start of FY 2020-21 BEs, GoI had allocated ₹1,15,570 crore for Food Subsidy. These were increased by more than three times in the REs and stood at ₹4,22,618 crore. This increase is in part due to GoI's effort to provide free ration to citizens under the COVID-19 relief packages of PMGKAY and Atma Nirbhar Bharat Package (ANBP), and also the pre-payment of around ₹1.5 lakh crore of Food Subsidy-related outstanding NSSF loans to FCI.
- For FY 2021-22 BEs, GoI has allocated ₹2,42,836 crore, a 43 per cent decrease compared to the previous year's REs, but more than double the REs for FY 2019-20 and BEs for FY 2020-21.

# IN 2021-22, GOI ALLOCATIONS FOR FOOD SUBSIDY DECREASED BY 43% COMPARED TO 2020-21 RES BUT WERE DOUBLE THE BES



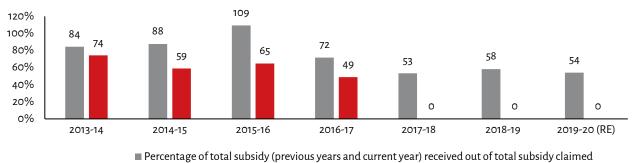
**Source:** Union Expenditure Budget, Volume 2, MoCAF&PD, FY 2015-16 to FY 2021-22. Available online at: <a href="https://www.indiabudget.gov.in">https://www.indiabudget.gov.in</a>. Last accessed on 1 February 2021.

Note: Figures are in crores of Rupees and are Revised Estimates (REs), except for FY 2021-22 which are Budget Estimates (BEs).

#### Releases

- Funds for Food Subsidy are released by GoI to FCI. Over the years, however, release of funds by GoI for Food Subsidy has been falling, resulting in large arrears and an increase in debt burden.
- In FY 2013-14, the subsidy claimed by FCI stood at ₹89,492 crore while the subsidy it received was ₹75,530 crore, or 84 per cent of the subsidy claimed. In FY 2019-20, on the other hand, FCI received ₹75,000 crore, which was only 54 per cent of the subsidy it had claimed.
- These lower proportions received by FCI from GoI have translated to an increase in backlog payments and the dues being carried over to the next financial year. Since FY 2013-14, the percentage of subsidy released to FCI for a particular year by the GoI for the subsidy claimed in the same year has largely been declining. From FY 2017-18 to FY 2019-20, FCI did not receive any of the funds due for the year in the same financial year.

#### 54% OF CLAIMED SUBSIDY RECEIVED BY FCI FROM GOI IN 2019-20

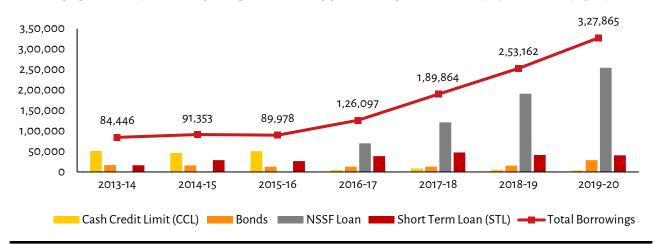


Source: Food subsidy released and due for FCI. Available online at: https://fci.gov.in/finances.php?view=22. Last accessed on 26 January 2021.

■ Percentage of subsidy received for current year out of total subsidy claimed

- To meet its debt obligation, FCI borrows funds through Cash Credit Limit (CCL), Ways and Means Advances (WMA), Short Term Loan (STL), National Small Saving Fund (NSSF) Loan, and bonds.
- Over the years, the debt of the FCI has been increasing. In March 2014, the total FCI debt was ₹84,446 crore. This increased nearly threefold to ₹2,53,162 crore as of March 2019.

#### FCI'S DEBT BURDEN INCREASED BY ALMOST 4 TIMES BETWEEN 2013-14 AND 2019-20



Source: (1) Borrowings from different sources by FCI for FY 2014-15 to FY 2019-20. Available online at: <a href="https://fci.gov.in/finances.php?view=113">https://fci.gov.in/finances.php?view=113</a>. Last accessed on 26 January 2021. (2) Borrowings from different sources by FCI for FY 2013-14. Available online at: <a href="https://cag.gov.in/uploads/download\_audit\_report/2017/Chapter\_2\_-Debt\_Management\_of\_Report\_No.18\_of\_2017\_-Compliance\_audit\_Union\_Government\_Food\_Corporation\_of\_India\_Reports\_of\_Ministry\_of\_Consumer\_Affairs,\_Food\_and\_Public\_Distribution\_1.pdf. Last accessed on 26 January 2021.

- At the start of FY 2020-21, the debt burden stood at ₹3,27,865 crore and the outstanding debt had increased to ₹3,74,367 crore as on 31 December 2020.
- Part of the reason for the rise in debt is the increased financing of FCI through NSSF loans. By March 2020, NSSF outstanding loans with FCI stood at ₹2,54,600 crore. For FY 2020-21 BEs, another ₹1,36,600 crore was to be financed through NSSF loans.
- In Union Budget 2021-22, however, GoI announced the discontinuation of NSSF loans to FCI for Food Subsidy, and budgetary provisions were made for the same for FY 2020-21 REs and FY 2021-22 BEs. In REs for FY 2020-21, GoI has estimated pre-payment of around ₹1.5 lakh crore of outstanding Food Subsidy-related loans of the FCI. For FY 2021-22 BEs, Food Subsidy requirements of FCI have been provided directly in the Budget. Consequently, financing for FCI through NSSF decreased by 38 per cent in the REs to stand at ₹84,636 crore, and no NSSF loan has been provided in FY 2021-22 BEs.

### PROVISIONS UNDER NFSA

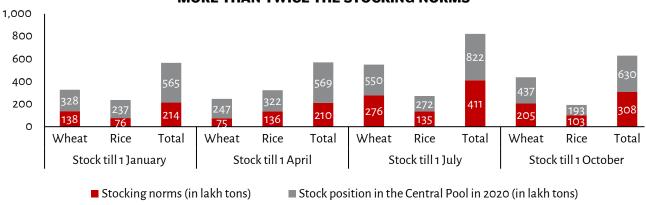
- NFSA legally entitles 75 per cent of the rural and 50 per cent of the urban population to receive subsidised foodgrains under TPDS.
- There are two categories of people receiving subsidised grains: a) Antyodaya Anna Yojana (AAY) households which constitute poorest of the poor and are entitled to 35 kgs of foodgrains per family, per month; and b) Priority Households (PHHs) identified by states and entitled to 5 kgs per person, per month.
- State-wise rural and urban coverage was determined by the erstwhile Planning Commission, using the National Sample Survey (NSS) Household Consumption Survey data for 2011-12 and based on Census 2011 population estimates. While GoI determines the total state-wise number of people to be covered under the scheme, states are responsible for identification of eligible households. As per Section 10 of the NFSA, states identify AAY households based on scheme guidelines while the remaining households are covered as PHHs in accordance with states' own specific guidelines.
- Under NFSA, foodgrains are to be made available at a subsidised rate of ₹3 per kg for rice, ₹2 per kg for wheat, and ₹1 per kg for coarse grains to all AAY households and PHHs.

Gol makes state-wise allocations of foodgrains based on the number of eligible households. Further, in case NFSA allocations for any state/UT's allocation is lower than their previous allocations under TPDS, the Act provides for a 'Tide over allocation'. This 'Tide over allocation' is upto the level of average offtake under erstwhile TPDS during FY 2010-11 to FY 2012-13.

### STOCKING AND STORAGE OF FOODGRAINS

- As per Gol guidelines, FCI is to maintain a certain amount of foodgrain stock in the Central Pool to meet operational requirements of TPDS and other welfare schemes plus food security stocks, in case of any shortfall in procurement.
- Over the years, the stock of foodgrains available in the Central Pool has been significantly higher than the stocking norms. In 2020, for instance, stocks available were nearly twice the required stocking norms. The highest difference was on 1 July 2020. This is despite the additional allocations and distribution of foodgrains as part of the relief measures to mitigate the impact of the COVID-19 pandemic.

# IN 2020, STOCK OF FOODGRAINS IN CENTRAL POOL ON AVERAGE WAS MORE THAN TWICE THE STOCKING NORMS



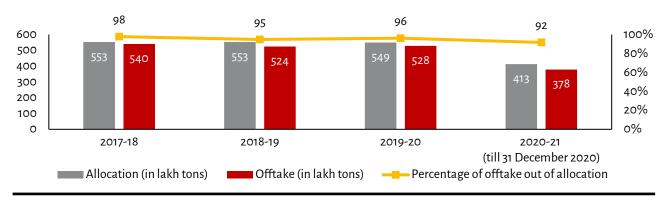
**Source:** (1) Monthwise Stock in Central Pool of Rice, Wheat and Coarsegrains. Food Grain Bulletin, Department of Food and Public Distribution. Available online at: <a href="https://dfpd.gov.in/food-grain-bulletin.htm">https://dfpd.gov.in/food-grain-bulletin.htm</a>. Last accessed on 1 January 2021. (2) Stocking Norms, Food Corporation of India. Available online at: <a href="https://fci.gov.in/stocks.php?view=18">https://fci.gov.in/stocks.php?view=18</a>. Last accessed on 8 January 2021.

### **PROCUREMENT**

- States are responsible for lifting allocated foodgrains, also known as 'offtake'. There are two main types of procurement: the Centralised Procurement System (CPS) and the Decentralised Procurement System (DCP).
  - o **CPS:** Under the CPS, the FCI is responsible for procurement, storage, transportation, and bulk allocations of foodgrains to state governments. The operational responsibility, such as allocations within the state/UT; identification of eligible families; issuance of ration cards; and supervision of Fair Price Shops (FPSs), rests with each individual state government.
  - o **DCP:** Under the DCP, state governments undertake direct purchase of foodgrains, and are also responsible for the storage and distribution under NFSA and other welfare schemes. Excess stocks procured by states are returned to the FCI in the Central Pool, and the cost incurred on these excess stocks are reimbursed by FCI to state governments, as per GoI cost sheets. GoI assumes the responsibility for the entire expenditure incurred during procurement operations, as per the pre-approved costing norms.

- At present, 17 states and UTs are procuring foodgrains under the DCP system. These are: Andaman and Nicobar Islands, Andhra Pradesh, Bihar, Chhattisgarh, Gujarat, Jharkhand (6 districts), Karnataka, Kerala, Madhya Pradesh, Maharashtra, Odisha, Punjab, Rajasthan (9 districts), Tamil Nadu, Telangana, Uttarakhand, and West Bengal. The remaining states/UTs fall under the CPS.
- Further, the NFSA provides for direct cash transfers under which cash equivalent of subsidy is being transferred directly into the bank accounts of eligible households to enable them to purchase foodgrains from the open market. The provision was implemented in the UTs of Chandigarh and Puducherry in 2015 and in Dadra and Nagar Haveli in 2016. The scheme is optional for states/UTs and operates in identified areas or any specified area within the state or UT.
- Total allocations of foodgrains, including NFSA and Tide over allocations, have remained constant at around 550 lakh tons from FY 2017-18 to FY 2019-20. In FY 2020-21, till December, 378 lakh tons of foodgrains had been allocated to states.
- Most of the grains allocated have been lifted, though the proportion has fallen marginally in the last few years. In FY 2017-18, 98 per cent of foodgrains allocated were lifted. This decreased to 95 per cent in FY 2018-19, and stood at 96 per cent in FY 2019-20.
- In FY 2020-21, till December or three-quarters of the fiscal year, 92 per cent of the foodgrains allocated had been lifted by states. While 94 per cent of rice allocated was lifted till December 2020, the proportion of wheat was only 89 per cent.

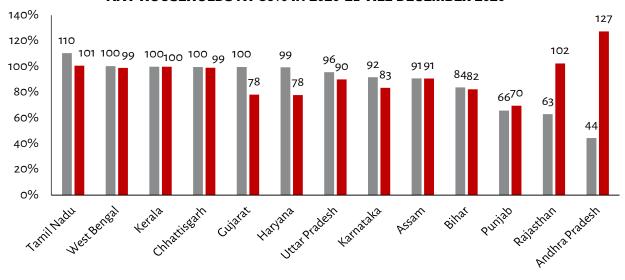
#### PERCENTAGE OF OFFTAKE HAS CONSISTENTLY BEEN ABOVE 94% SINCE 2017-18



**Source:** Allocation and Offtake of Foodgrains. Food Grain Bulletin, Department of Food and Public Distribution. Available online at: <a href="https://dfpd.gov.in/food-grain-bulletin.htm">https://dfpd.gov.in/food-grain-bulletin.htm</a>. Last accessed on 21 January 2021.

- There were differences in lifting both across states, and the two eligible category groups. Till December 2020, across India, lifting was lower for AAY households which are the poorest of the poor, with 86 per cent of the allocations lifted. In contrast, for PHHs, 93 per cent of the foodgrains had been lifted.
- There were also differences in the proportion of foodgrains lifted across states. For instance, foodgrain lifting till December 2020 was more than 90 per cent in Tamil Nadu, West Bengal, Kerala, Chhattisgarh, and Assam across both AAY households and PHHs. In contrast, less than 75 per cent of foodgrains were lifted across both categories in Punjab. In Andhra Pradesh and Rajasthan, the proportion of foodgrains lifted for AAY households was significantly lower than for PHHs.

# ALL-INDIA OFFTAKE FOR PHHs STOOD AT 93% BUT WAS LOWER FOR AAY HOUSEHOLDS AT 86% IN 2020-21 TILL DECEMBER 2020



- Proportion of foodgrains lifted for AAY households for 2020-21 till December 2020
- Proportion of foodgrains lifted for PHHs for 2020-21 till December 2020

**Source:** Allocation and Offtake of Foodgrains. Food Grain Bulletin, Department of Food and Public Distribution. Available online at: <a href="https://dfpd.gov.in/food-grain-bulletin.htm">https://dfpd.gov.in/food-grain-bulletin.htm</a>. Last accessed on 21 January 2021.

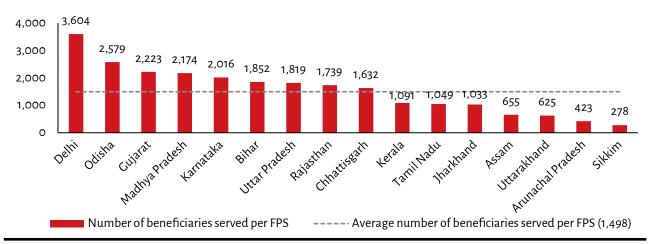
#### **Decentralised Procurement System**

- For states/UTs which have adopted the DCP system, release of food subsidy by the GoI is a continuous process and the amount released to DCP states depends on the subsidy claim amount, amount of food subsidy found admissible, and the monthly/quarterly availability of budget.
- For FY 2019-20, subsidy released by GoI to states under DCP system stood at ₹44,944 crore, an increase of 45 per cent from the reported ₹31,030 crore of subsidy released in FY 2018-19. As on 17 December 2020, ₹37,133 crore had been released by the GoI for FY 2020-21.

### DISTRIBUTION

- Distribution of foodgrains to eligible people is done through a network of FPSs which are licensed to distribute foodgrains and essential commodities to all ration card holders under the TPDS.
- On average, as on 20 November 2020, one FPS served 1,498 beneficiaries. However, there existed large heterogeneity among states. Sikkim and Mizoram had the lowest number of beneficiaries served per FPS, while over 2,000 beneficiaries were being served on average by a single FPS in Gujarat, Odisha, and Delhi.

### ON AVERAGE, 1,498 BENEFICIARIES SERVED PER FPS AS ON 20 NOVEMBER 2020

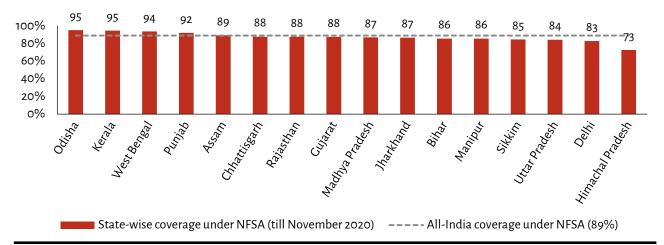


**Source:** State-wise total number of Fair Price Shops under NFSA. Food Grain Bulletin, Department of Food and Public Distribution. Available online at: https://dfpd.gov.in/food-grain-bulletin.htm. Last accessed on 1 January 2021.

### COVERAGE AND BENEFICIARY ELIGIBILITY

- As of November 2020, 80.6 crore beneficiaries were covered under NFSA, of which 11 per cent belonged to AAY households. This accounted for 99 per cent of the eligible households as per Census 2011.
- However, accounting for population growth and projecting population to 2020, the proportion of coverage fell to 89 per cent of the eligible population.
- There were state variations. Himachal Pradesh had the lowest coverage at 73 per cent. Similarly, states such as Uttar Pradesh, Bihar, and Jharkhand which have a large population living below the poverty line, had coverage lower than India's average. In contrast, over 90 per cent of the eligible people were covered in Odisha, Kerala, and West Bengal.

### 89% ELIGIBLE BENEFICIARIES WERE COVERED UNDER NFSA AS OF NOVEMBER 2020



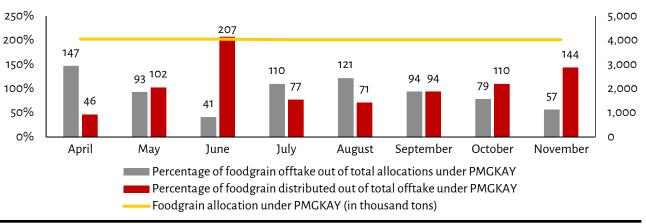
**Source:** (1) State-Wise number of Persons/families Covered under National Food Security Act, 2013. Food Grain Bulletin, Department of Food and Public Distribution. Available online at: <a href="https://dfpd.gov.in/food-grain-bulletin.htm">https://dfpd.gov.in/food-grain-bulletin.htm</a>. (2) Projected Population 2020 as per Ministry of Health and Family Welfare (MoHFW). Available online at: <a href="https://nhm.gov.in/New\_Updates\_2018/Report\_Population\_Projection\_2019.pdf">https://nhm.gov.in/New\_Updates\_2018/Report\_Population\_Projection\_2019.pdf</a>. Last accessed on 10 December 2020.

As per the NFSA, two-thirds or 67 per cent of India's population is legally mandated to be covered under NFSA. Using current projected population of 134.71 crore, NFSA would need to cover 90.26 crore people, approximately 10 crore more than the current coverage. In other words, currently, only 60 per cent of the legally required population is being covered under NFSA.

### **PMGKAY**

- On 26 March 2020, due to the COVID-19 pandemic, GoI announced PMGKAY, providing 5 kgs of rice or wheat and 1 kg of pulses to eligible people free-of-cost. This was in addition to the regular quota of foodgrains. The scheme was to be initially implemented for a period of three months from April 2020 to June 2020 but was later extended till November 2020.
- There were differences in the lifting and distribution of foodgrains by states across months. The highest lifting came in the month of April, after the announcement of the country-wide lockdown at the end of March. Offtake fell to a minimum in June as the scheme was supposed to end but picked up again, following the announcement of its extension till November.
- In April 2020, 147 per cent of the allocated foodgrains were lifted by states but distribution was less than 50 per cent of the offtake. On the other hand, in June, offtake of foodgrains was less than 50 per cent but distribution was more than 200 per cent of the offtake.
- Similarly, in July and August, as the scheme was extended, lifting by the states was more than 100 per cent of the allocation while distribution was less than 80 per cent of the offtake. In November, the last month of the scheme, only 57 per cent of the allocated foodgrains were lifted but distribution was 144 per cent of the offtake.

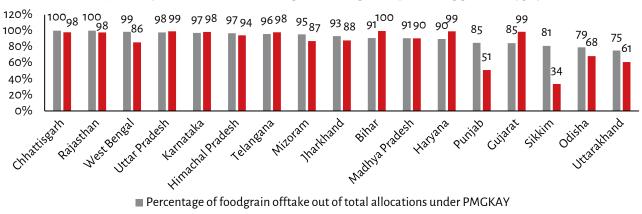
# IN JUNE 2020, THE PROPORTION OF FOODGRAINS LIFTED WAS LOWEST AND THE PROPORTION OF FOODGRAINS DISTRIBUTED WAS HIGHEST



**Source:** (1) Foodgrain Allocation Under PMGKAY. Lok Sabha Question AU 394. Available online at: <a href="https://164.100.24.220/loksabhaquestions/ghindi/174/AU394.pdf">https://164.100.24.220/loksabhaquestions/ghindi/174/AU394.pdf</a>. Last accessed on 25 January 2021. (2) Foodgrain Offtake under PMGKAY. Food Grain Monthly Bulletin. Available online at: <a href="https://dfpd.gov.in/food-grain-bulletin.htm">https://dfpd.gov.in/food-grain-bulletin.htm</a>. Last accessed on 25 January 2021. (3) Foodgrain Distribution under PMGKAY. Annavitran Reports. Available online at: <a href="https://annavitran.nic.in/getPMGKAYCentralAllocDistriRPT">https://annavitran.nic.in/getPMGKAYCentralAllocDistriRPT</a>. Last accessed on 25 January 2021.

There were state-wise variations in the offtake and distribution of foodgrains. Both offtake and distribution for states like Uttar Pradesh, Haryana, Karnataka, Chhattisgarh, Telangana, and Madhya Pradesh were more than 90 per cent. On the other hand, Uttarakhand lifted 75 per cent of the allocated foodgrains and distributed only 61 per cent of it. Similarly, the percentage of foodgrains distributed was lower in Punjab (51 per cent) and Sikkim (34 per cent) despite both states lifting more than 80 per cent of their total allocations.

# UNDER PMGKAY, BIHAR DISTRIBUTED 100% OF THE LIFTED FOODGRAINS WHILE UTTARAKHAND AND SIKKIM DISTRIBUTED LESS THAN 65%



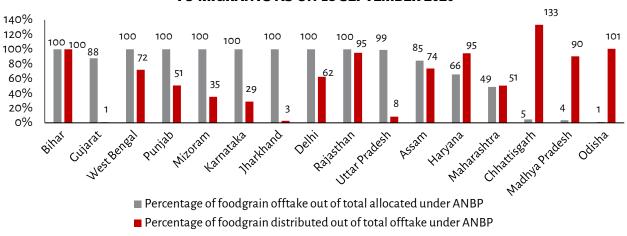
**Source:** (1) Foodgrain Allocation Under PMGKAY. Lok Sabha Question AU 394. Available online at: <a href="http://164.100.24.220/loksabhaquestions/ghindi/174/AU394.pdf">http://164.100.24.220/loksabhaquestions/ghindi/174/AU394.pdf</a>. Last accessed on 25 January 2021. (2) Foodgrain Offtake under PMGKAY. Food Grain Monthly Bulletin. Available online at: <a href="https://dfpd.gov.in/food-grain-bulletin.htm">https://dfpd.gov.in/food-grain-bulletin.htm</a>. Last accessed on 25 January 2021. (3) Foodgrain Distribution under PMGKAY. Annavitran Reports. Available online at: <a href="https://annavitran.nic.in/getPMGKAYCentralAllocDistriRPT">https://annavitran.nic.in/getPMGKAYCentralAllocDistriRPT</a>. Last accessed on 25 January 2021.

■ Percentage of foodgrain distributed out of total offtake under PMGKAY

### MIGRANTS COVERED UNDER ANBP

- Under the ANBP introduced in May 2020, GoI announced various economic measures for migrant workers across India, including the provision of free-of-cost foodgrains at 5 kgs per person, per month and whole chana at 1 kg per household, per month for the months of May and June. The distribution period was extended till August 2020. A total quantity of 8 lakh Metric Ton (MT) of foodgrains, and 27 thousand MT of whole chana was allocated to this scheme, which was specifically designed to cover all migrants/stranded workers not covered under the NFSA or any other state PDS scheme.
- Offtake of foodgrains under the scheme was high. Out of total 8 lakh MT of foodgrains allocated, 6.4 lakh MT, or 80 per cent was lifted.
- There were state-wise differences. Twenty-one states/UTs lifted 100 per cent of their total allocations, while lifting was below 5 per cent for Odisha, Madhya Pradesh, and Chhattisgarh.
- Foodgrain distribution was low. Only 2.7 lakh MT, or 42 per cent of the foodgrain lifted was distributed. While distribution was high for Bihar and Odisha with the entire foodgrain lifted also being distributed, 11 states/UTs reported distributing less than 20 per cent of their total offtake amount, including Uttar Pradesh (8 per cent), Jharkhand (3 per cent), and Gujarat (1 per cent).

# OUT OF THE TOTAL OFFTAKE, ONLY 42% OF FOODGRAINS WERE DISTRIBUTED TO MIGRANTS AS ON 18 SEPTEMBER 2020



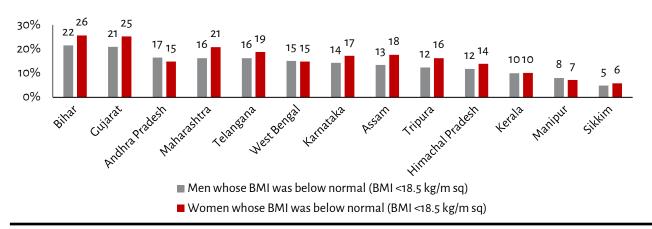
**Source:** Allocation and distribution of foodgrains and gram under Atmanirbhar Bharat Package. PIB dated 18 September 2020. Available online at: <a href="https://pib.gov.in/PressReleaselframePage.aspx?PRID=1656294">https://pib.gov.in/PressReleaselframePage.aspx?PRID=1656294</a>. Last accessed on 26 January 2021.

- Part of the reason for low distribution as per GoI was a lack of data on the number of stranded migrant workers. Initially, with the national lockdown, GoI released an estimated provision for 8 crore migrants/stranded workers, which was equivalent to 10 per cent of the total beneficiaries currently covered under NFSA.
- Subsequently, guidelines for identifying migrants and distributing the foodgrains were independently decided by each state/UT. Through these processes it was assessed that many migrants had returned to their respective states, and a revised estimate of covering 2.8 crore migrants/stranded workers was set.
- Some states also issued ration cards or temporary identifications for additional people who were earlier not covered under NFSA and therefore, PMGKAY. States such as Uttar Pradesh, Bihar, and Tripura reported issuing new ration cards to 45 lakh, 15 lakh, and 25,000 persons, respectively.
- As on 1 September 2020, Gol reported covering 2.35 crore people in May, 2.48 crore in June, 0.31 crore in July, and 0.16 crore in August under ANBP.

### STATUS OF ADULT MALNUTRITION IN INDIA

- NFSA aims to provide food and nutritional security, by ensuring access to adequate quality food at affordable prices to people that would enable them to live a life with dignity.
- The National Family Health Survey (NFHS) collects information on adults whose Body Mass Index (BMI) is below the normal BMI of 18.5 kgs per meter squared.
- There has been a marginal improvement of 3 percentage points in the percentage of men and women with below normal BMI between NFHS-4 in 2015-16 and NFHS-5 in 2019-20. There were state-wise variations. In Sikkim, less than 6 per cent of men and women had below normal BMI. On the other hand, more than 20 per cent of men, and more than 25 per cent of women had below normal BMI in Bihar and Gujarat.

### AROUND 25% OF THE WOMEN IN BIHAR AND GUJARAT HAD BELOW NORMAL BMI



**Source:** National Family Health Survey (NFHS), fifth round, 2020. Available online at: <a href="http://rchiips.org/nfhs/factsheet\_NFHS-5.shtml">http://rchiips.org/nfhs/factsheet\_NFHS-5.shtml</a>. Last accessed on 10 January 2021.