

## **Compendium on Parliamentary Enactments**

# The National Food Security Act 2013



RAJYA SABHA SECRETARIAT NEW DELHI 2014



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# The National Food Security Act 2013



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#### Preface

The Constitution of India has envisaged legislative procedures in the sphere of law making to be followed by each House of Parliament. When Parliament is not in Session, the President may, on being satisfied that circumstances exist which render it necessary for him to take immediate action, promulgate Ordinances. An Ordinance promulgated by the President has the same force and effect as an Act of Parliament. It has to be laid before both Houses of Parliament. The Ordinance ceases to operate at the expiration of six weeks from the reassembly of Parliament, or if before the expiration of that period resolutions disapproving it are passed by both Houses, upon the passing of the second of those resolutions. The Rules of Procedure and Conduct of Business in both Rajya Sabha and Lok Sabha provide details relating to the procedures to be followed in each House at the time of introduction of a Bill; reference to and examination of the Bill by the Select Committee of the House/Joint Committee of the Houses or the concerned Departmentrelated Standing Committee and final consideration and passage of the Bill by each House. During the various stages of legislative process, the Bills are discussed thoroughly and if necessary suitably amended before these are passed. An important objective of legislative research is to have a permanent and authentic resource-base of the documents in respect of the Bills passed by both the Houses to provide all essential documents in one volume for easy and quick access to material which are invaluable for understanding the evolution of legislative proposals from Bill stage to the Acts of Parliament.

This compendium on parliamentary enactment on the National Food Security Act, 2013 contains all primary documents such as the Bill as introduced, the Report of the Department-related Parliamentary Standing Committee on Food, Consumer Affairs and Public Distribution which examined the Bill and submitted a report thereon, the synopsis of debates of both Houses of Parliament and the Bill as passed by both Houses with a comprehensive executive summary. A select reading list is also enclosed.

I acknowledge with thanks the contribution made by all concerned Sections of the Rajya Sabha Secretariat and particularly the services rendered by the officers of the Library, Reference, Research, Documentation & Information Service (LARRDIS) who were entrusted with the task of compiling this Compendium. I also appreciate the work done by the Printing and Publications Service.

This publication is the first in the series of compendiums on parliamentary enactments proposed to be brought out on selected Bills passed by both Houses for the benefit of Members of Parliament, researchers, legal fraternity as also the public at large.

Shumsher K. Sheriff
Secretary-General

 $\frac{\text{New Delhi;}}{\text{August, 2014}}$ 

## NATIONAL FOOD SECURITY ACT, 2013 (Executive Summary)

The National Food Security Bill (NFSB) has been one of the much discussed legislations in the recent times. The Legislature, the Executive, the Judiciary, the Media and above all the civil society – all have contributed in fine-tuning the content of this legislation. First introduced in the Lok Sabha on 22 December, 2011 as the NFSB, 2011, it was referred to the Department-related Standing Committee on Food, Consumer Affairs and Public Distribution on 5 January, 2012 for examination and report. The Committee presented a detailed report on the Bill in January, 2013. Based on the recommendations of the Committee the Bill was accordingly amended and then re-introduced in the Lok Sabha as the NFSB, 2013 on 2 May, 2013. However, in view of the delay in getting the bill passed by Parliament, the National Food Security Ordinance, 2013 was promulgated on 5 July, 2013. The Bill replacing the Ordinance was introduced in the Lok Sabha on 7 August, 2013 and passed by it on 26 August, 2013. The Bill as passed by Lok Sabha was discussed and passed by Rajya Sabha on 2 September, 2013. The Bill became an Act after it was assented to by the President on 10 September, 2013.

Regarded as a landmark legislation to ameliorate the conditions of the poor and the food insecure population, the National Food Security Act (NFSA) provides for legal rights and entitlements of persons belonging to eligible households to receive 5 kg. foodgrains per person per month at a subsidised price of ₹3, ₹2 and ₹1 for rice, wheat and coarse grains, respectively. The NFSA covers 75% of the rural population and 50% of the urban population. This percentage coverage of population under the NFSA has sought to revisit the goal of universalisation of Public Distribution System (PDS). A framework of partnership between the Central Government and the State Governments is built into the legislation in which the Central Government shall determine the numbers, criteria and the scheme, while the State Governments shall identify the households and implement the provisions of the Bill. By all counts, this is an important Bill that marks a shift from the family-based approach to individual-based approach in administering entitlements.

#### Background

While fighting for our Independence from British rule, Mahatma Gandhi had written that there could not be any swaraj without adequate provision of food to people and that too balanced food. Such a vision flowed from moral principles. However, during later phase of history, right to food was considered as part of human rights which every individual had to enjoy for realising his/her human worth. The articulation of food and nutrition rights in modern international human rights law arises in the context of the broader human right to an adequate standard of living. The Universal Declaration of Human Rights of 1948 asserts that "everyone has the right to a standard of living adequate for the health and well-being of himself and his family, including food ...." Food and nutrition rights were subsequently reaffirmed in several major binding international agreements. The International Covenant on Economic, Social and Cultural Rights, says that "The States Parties to the present Covenant recognize the right of everyone to an adequate standard of living for himself and his family, including adequate food, clothing, and housing . . ." and also recognizes "the fundamental right of everyone to be free from hunger...."2

Beginning in the late 1990s, work on food rights at the global level centered on a mandate from the World Food Summit held in Rome in 1996. In 1999, the UN's Committee on Economic, Social and Cultural Rights observed, "Fundamentally, the roots of the problem of hunger and malnutrition are not lack of food but lack of *access to* available food, because of poverty, by large segments of the world's population." <sup>3</sup> Eradicating extreme poverty and hunger is also one of the goals under the Millennium Development goals of the United Nations.

<sup>&</sup>lt;sup>1</sup> Article 25(1) of the Universal Declaration of Human Rights of 1948.

Article 11, International Covenant on Economic, Social and Cultural Rights.

<sup>&</sup>lt;sup>3</sup> Paragraph 5 of General Comment 12 of the UN's Committee on Economic, Social and Cultural Rights.

#### **Constitutional Obligation**

The issue of food security, though not directly enshrined in the text of the Constitution, has been understood to have been embodied in articles of the Part III and Part IV of the Constitution. Article 21 of the Constitution says, "No person shall be deprived of his life or personal liberty except according to procedure established by law". The reading of Article 21 (protection of life and personal liberty) together with articles 39(a) (citizens' right to an adequate means of livelihood) and 47 (Duty of the State to raise the level of nutrition and the standard of living and to improve public health) places the issue of food security in the correct perspective. It is now understood that the Right to Food is a guaranteed Fundamental Right which is enforceable by virtue of the constitutional remedy provided under article 32 of the Constitution. These provisions of the Constitution are consistent with the obligations of the State under the International Covenant of the Economic, Social and Cultural Rights to which India is a party.

#### Genesis of National Food Security Bill

The genesis of the NFSB, 2013 can be traced back to the Right to Food Campaign of April 2001, when the Rajasthan Unit of the People's Union of Civil Liberties (PUCL) filed a writ petition in the Supreme Court of India asking three major questions:

- A. Does the right to life mean that people who are starving and who are too poor to buy foodgrains ought to be given foodgrains free of cost by the State from the surplus stock lying with the State, particularly when it is reported that a large part of it is lying unused and rotting?
- B. Does not the right to life under Article 21 of the Constitution of India include the right to food?
- C. Does not the right to food imply that the State has a duty to provide food especially in situations of drought, to people who are drought affected and are not in a position to purchase food?

#### On July 23, 2001, the Supreme Court ruled:

In our opinion, what is of utmost importance is to see that food is provided to the aged, infirm, disabled, destitute women and men who are in danger of starvation, pregnant and lactating women and destitute children, especially in cases where they or members of their family do not have sufficient funds to provide food for them. In case of famine, there may be shortage of food, but here the situation is that amongst plenty there is scarcity. Plenty of food is available, but distribution of the same amongst the very poor and the destitute is scarce and non-existent leading to mal-nourishment, starvation and other related problems.<sup>4</sup>

The Supreme Court's judgement in the PUCL case sensitized the political establishment about the need for food security to the poor and deprived sections of the population. The Congress Party while seeking a renewed mandate in 2009, pledged in its Election Manifesto to bring out the Food Security Act. On securing public mandate, the Congress party led UPA -II Government placed the enactment of Food Security Bill as one of the priority agenda for action and the President's Address to both Houses of Parliament on 4 June, 2009 referred to it and clearly brought out the intention of the Government to implement it. On 16 November, 2010, the National Advisory Council (NAC) made a suggestion to the Prime Minister for a close examination of the proposal of the Ministry of Rural Development to replace the existing Below Poverty Line (BPL) survey with a socioeconomic census/ survey to be conducted by the Registrar General and Census Commissioner of India in the context of the proposed NFSB. In view of the above suggestions made by the NAC, the Prime Minister set up an Expert Committee under the chairmanship of Dr C. Rangarajan to examine the implications of the proposals of the NAC and Ministry of Rural Development (MoRD) and make suitable recommendations.<sup>5</sup> The NAC prepared<sup>6</sup> the draft National Food Security Bill and forwarded the same to the Government for consideration on 6 July, 2011.

#### Legislative Developments

The NFSB, 2011 (Annexure I) was introduced in the Lok Sabha on 22 December, 2011. It was then referred to the Department-related Standing Committee (DRSC) on Food, Consumer Affairs and Public Distribution on 5 January, 2012 for examination and report. The Committee presented a detailed report (Annexure II) on the Bill in January 2013. The Bill, as amended in accordance with the recommendations of the Standing Committee, was then re-introduced in the Lok Sabha as the NFSB, 2013 on 2 May, 2013.

<sup>4</sup> http://www.righttofoodindia.org/data/scordersprimeratoolforaction.pdf

<sup>&</sup>lt;sup>5</sup> The Expert Committee recommendations were on four primary issues *i.e.* foodgrain entitlement, subsidy, PDS reform and the agency for identification of beneficiaries. For details, *see* http://eac.gov.in/reports/rep\_NFSB.pdf

A Working Group (WG) on Food Security was constituted with Shri Harsh Mander as the Convener, which after extensive consultation, drafted the Bill.

However, the Bill could not be passed during the same session as Parliament was adjourned *sine die* on 8 May, 2013. The Government was of the considered view that it would not be appropriate to further delay the enactment of the NFSB to benefit the food insecure population. Therefore, the National Food Security Ordinance, 2013 (Annexure III) was promulgated on 5 July, 2013. The National Food Security Bill, 2011 introduced in the Lok Sabha on 22 December, 2011 was withdrawn by the Government on 7 August. 2013 by leave of the House. The Bill replacing the Ordinance (Annexure IV) was introduced in the Lok Sabha on 7 August, 2013 and passed by it on 26 August, 2013. The Bill as passed by the Lok Sabha (Annexure VII) was discussed and passed by Rajya Sabha on 2 September, 2013. The Bill as passed by both the Houses of Parliament (Annexure IX) was assented to by the President on 10 September, 2013 and became Act. The Ordinance promulgated by the President as also the Bill replacing the Ordinance contained the same provisions as that of the NFSB, 2013 that was introduced in Lok Sabha in May 2013.

II

#### Salient Features of The National Food Security Act, 2013

- **Objective:** To provide for food and nutritional security in human life cycle approach by ensuring access to adequate quantity of quality food at affordable prices to people to live a life with dignity.
- Eligibility, Coverage and Identification of Households: The Act defines 'eligible households' under two categories: (i) households covered under the Antyodaya Anna Yojana<sup>8</sup> (AAY); and (ii) households covered as the priority households under the Targeted Public Distribution System (TPDS). The percentage coverage of population in rural and urban areas belonging to eligible households under the TPDS is to be determined by the Central Government on the basis of the population estimates as per the latest census figures. The entitlements of the persons belonging to the eligible households at subsidised prices shall extend up to 75% of the rural population and up to 50% of the urban population. As per the provision of the Act, the State Government, within the number of persons determined for the rural and urban areas, is to identify the eligible households, *i.e.*, the households to be covered under

NFSA became Act no. 20 of 2013.

This means the scheme launched by the Central Government on the 25th day of December, 2000, and as modified from time to time.

the AAY and the remaining households as priority households to be covered under the TPDS. Besides, the State Government is to frame guidelines and update the list of eligible households, within the number of persons determined.<sup>9</sup>

- Food Entitlements: Each priority households shall be entitled to 5 kg. of foodgrains per person per month from the State Government under the TPDS. The households covered under the AAY shall be entitled to 35 kg. of foodgrains per household per month at the subsidised price not exceeding ₹3, ₹2 and ₹1 per kg. for rice, wheat and coarse grains, respectively for a period of three years from the date of commencement of the Act and thereafter, at such price as fixed by the Central Government from time to time not exceeding the Minimum Support Price (MSP) for wheat and coarse grains and the derived MSP for rice.<sup>10</sup>
- Entitlements for women and children: There is a special focus in the Act on nutritional support to women and children. Every pregnant and lactating woman shall be entitled to a meal, free of charge, during pregnancy and six months after the child birth, through the local anganwadi and maternity benefit of not less than rupees six thousand, in such instalments as may be prescribed by the Central Government. The Act also stipulates that every child up to the age of fourteen years shall be covered under this Act. For their nutritional needs, the children in the age group of 6 months to 6 years are entitled to receive age appropriate meal from the local anganwadi whereas the children in the age group of 6 years to 14 years are to get one mid-day meal from the Government/
- *Food Security Allowance:* The Act stipulates that in case of nonsupply of the entitled quantities of foodgrains or meals to the entitled persons, such persons shall be entitled to receive such food security allowance from the concerned State Government to be paid to each person, within such time and manner as may be prescribed by the Central Government.<sup>12</sup>
- Women Empowerment: The eldest woman of eighteen years of age or above in every eligible household, wherever available, shall be head of the household for the purpose of issuance of ration card. Where a

<sup>&</sup>lt;sup>9</sup> Chapter IV Section 9, Chapter II Section 3(2) and Chapter 10(1) &(2) of the Act.

<sup>&</sup>lt;sup>10</sup> Chapter II Section 3(1) and Schedule I.

<sup>11</sup> Chapter II, Section 4 & 5.

<sup>&</sup>lt;sup>12</sup> Chapter III.

household at any time does not have a woman or a woman of eighteen years of age or above, but has a female member below the age of eighteen years, then, the eldest male member of the household shall be the head of the household for the purpose of issue of ration card and the female member, on attaining the age of eighteen years, shall become the head of the household for such ration cards in place of such male member.<sup>13</sup>

- Reforms in TPDS: Reforms in the TPDS as envisaged in the Act include measures such as doorstep delivery of foodgrains to the TPDS outlets, application of information and communication technology (ICT) tools including end to end computerisation, leveraging Aadhaar for unique identification of beneficiaries, full transparency of records, diversification of commodities under TPDS, etc.<sup>14</sup>
- Mechanism has been provided. Every State Government shall put in place an internal grievance redressal mechanism which may include call centres, help lines, designation of nodal officers, or such other mechanism as may be prescribed. Apart from the internal grievance redressal mechanism, the State Government shall appoint or designate, for each district, an officer to be the District Grievance Redressal Officer (DGRO) for expeditious and effective redressal of grievances of the aggrieved persons in matters relating to distribution of entitled foodgrains or meals and to enforce entitlements under the Act.<sup>15</sup>
- State Food Commission: Further, it has been provided that every State Government shall set up a State Food Commission for the purpose of monitoring and review of implementation of the Act in respect to the concerned State. Detailed composition, functions of the National Food Commission and State Food Commission and the recruitment and conditions of services and salary and allowances of the Chairperson and five other Members of the respective Commission have been delineated in the Act.<sup>16</sup>
- Obligations of the Central Government: The Central Government shall procure foodgrains for the Central Pool<sup>17</sup>, allocate required

<sup>13</sup> Chapter VI.

<sup>14</sup> Chapter V.

Chapter VII Section 14 & 15.

<sup>&</sup>lt;sup>16</sup> Chapter VII, Section 16, 17, 18, 19, 20 & 21.

Central pool has been defined in the Bill as the sock of foodgrains which is - procured by the Central Government and State Governments through MSP operations; maintained for allocations under TPDS or other welfare schemes, including calamity relief and such other schemes; and kept reserved for schemes under the Act.

quantity of foodgrains to the States, and provide for transportation of foodgrains as per allocation to the designated depots in each State. Further, the Central Government shall provide foodgrains in respect of entitlements to the State Governments, at prices specified for the persons belonging to eligible households. Besides, the Central Government shall create and maintain required modern and scientific storage facilities at various levels and in case of short supply of foodgrains from the Central Pool to a State, the Central Government shall provide funds to the extent of short supply for meeting the statutory obligation. The Central Government shall exercise the power to make rules and issue directions from time to time to the State Governments regarding implementation of the Act. <sup>18</sup>

- Obligations of the State Government: The State Government shall be responsible for implementation and monitoring of the scheme under the Act. Under the Act, it is the responsibility of the State Government to take delivery of foodgrains from the designated depots of the Central Government in the State and ensure actual delivery and supply of foodgrains to the entitled persons at subsidised prices. For ensuring efficient operation of the TPDS, the State Government shall create and maintain scientific storage facilities and strengthen the capacities of the State agencies and Fair Price Shops. In case of non-supply of the entitled quantities of foodgrains or meals to entitled persons, the State Government shall be responsible for payment of food security allowance.<sup>19</sup>
- Other Welfare Schemes: The Act shall not preclude the Central Government or the State Government from continuing or formulating other food based welfare schemes.<sup>20</sup>
- *Penalty:* The Act provides for penalty, not exceeding ₹5000, to be imposed on public servants or authority, by the State Food Commission, if found guilty of failing to comply with the relief recommended by the DGRO.<sup>21</sup>

<sup>18</sup> Chapter VIII.

<sup>19</sup> Chapter IX.

<sup>&</sup>lt;sup>20</sup> Chapter XIII, Section 32(1).

<sup>&</sup>lt;sup>21</sup> Chapter XIII, Section 33.

#### Conclusion

The National Food Security Bill, 2013, that replaced the National Food Security Ordinance, 2013, was introduced in the Lok Sabha on 7 August, 2013. The Bill was discussed along with the Statutory Resolution disapproving the National Food Security Ordinance, 2013 on 13 and 26 August, 2013. The total time allotted in the Lok Sabha for discussion of the same was 6 hours. However, the actual time taken was 22 minutes on 13 August, 2013 and 8 hours 45 minutes on 26 August, 2013, totalling to 9 hours 7 minutes. There were 107 Members, including the Union Minister of State for Food and Consumer Affairs, Prof. K. V. Thomas who participated in the discussion in the Lok Sabha on both days.

In the Rajya Sabha the discussion of the Bill along with the Statutory Resolution took place on 2 September, 2013. The time allotted for the discussion was 6 hours but the actual time taken for discussion was 8 hours 25 minutes. A total of 38 Members including Union Minister, Prof. K.V. Thomas participated in the discussion.

\*\*\*\*

## THE NATIONAL FOOD SECURITY BILL, 2011

(As introduced in Lok Sabha on  $22^{\text{nd}}$  December, 2011)

#### Bill No. 132 of 2011

#### THE NATIONAL FOOD SECURITY BILL, 2011

#### ARRANGEMENT OF CLAUSES

## CHAPTER I PRELIMINARY

#### .

#### **CLAUSES**

- 1. Short title, extent and commencement.
- 2. Definitions.

#### CHAPTER II

#### Provisions for Food Security

- 3. Right to receive foodgrains at subsidised prices by persons belonging to priority households and general households under Targeted Public Distribution System.
- 4. Nutritional support to pregnant women and lactating mothers.
- 5. Nutritional support to children.
- 6. Prevention and management of child malnutrition.
- 7. Implementation of schemes for realisation of entitlements.

#### CHAPTER III

#### ENTITLEMENTS OF SPECIAL GROUPS

- 8. Entitlements of special groups.
- 9. Emergency and disaster affected persons.

#### CHAPTER IV

#### PERSONS LIVING IN STARVATION

- 10. Identification of persons living in starvation, if any.
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#### CHAPTER V

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## IDENTIFICATION OF PRIORITY HOUSEHOLDS AND GENERAL HOUSEHOLDS

#### CLAUSES

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- 15. Guidelines for identification of priority households and general households.
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#### CHAPTER VII

#### REFORMS IN TARGETED PUBLIC DISTRIBUTION SYSTEM

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#### CHAPTER VIII

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#### CHAPTER IX

#### GRIEVANCE REDRESSAL MECHANISM

- 20. Internal grievance redressal mechanism.
- 21. District Grievance Redressal Officer.
- 22. State Food Commission.
- 23. Salary and allowances of Chairperson, Member, Member-Secretary and other staff of State Commission.
- 24. Joint State Food Commission.
- Application of certain provisions of National Food Commission to State Food Commission.
- 26. National Food Commission.
- 27. Powers relating to inquiries.
- 28. Salary and allowances of Chairperson, Member, Member-Secretary and other staff of National Commission.
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- 31. Provisions for funds by Central Government to State Government in certain cases.

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32. Implementation and monitoring of schemes for ensuring food security.

#### CHAPTER XII

#### OBLIGATIONS OF LOCAL AUTHORITIES

- 33. Implementation of Targeted Public Distribution System.
- 34. Obligations of local authority.

#### CHAPTER XIII

#### Transparency and Accountability

- 35. Disclosure of records of Targeted Public Distribution System.
- 36. Conduct of social audit.
- 37. Setting up of Vigilance Committees.

#### CHAPTER XIV

#### Provisions for Advancing Food Security

- 38. Food security for people living in remote, hilly and tribal areas.
- 39. Steps to further advance food and nutritional security.

#### CHAPTER XV

#### Miscellaneous

- 40. Other welfare schemes.
- 41. Penalties.
- 42. Power to adjudicate.
- 43. Power to delegate by Central Government and State Government.
- 44. Act to have overriding effect.
- 45. Power to amend Schedules.

#### CLAUSES

- 46. Power of Central Government to give directions.
- 47. Power of Central Government to make rules.
- 48. Power of State Government to make rules.
- 49. Transitory provisions for schemes, guidelines, etc.
- 50. Power to remove difficulties.
- 51. Utilisation of institutional mechanism for other purposes.
- 52. Force Majeure.

SCHEDULE I.

SCHEDULE II.

SCHEDULE III.

#### Bill No. 132 of 2011

## THE NATIONAL FOOD SECURITY BILL, 2011

Α

#### BILL

to provide for food and nutritional security in human life cycle approach, by ensuring access to adequate quantity of quality food at affordable prices to people to live a life with dignity and for matters connected therewith or incidental thereto.

BE it enacted by Parliament in the Sixty-second Year of the Republic of India as follows:-

#### CHAPTER I Preliminary

- 1. (1) This Act may be called the National Food Security Act, 2011.
- Short title, extent and commencement
- (2) It extends to the whole of India.
- (3) It shall come into force on such date as the Central Government may, by notification in the Official Gazette appoint, and different dates may be appointed for different provisions of this Act.
- **2.** In this Act, unless the context otherwise requires,-

(1) "anganwadi" means a child care and development centre set up under the Integrated Child Development Services Scheme of the Central Government to render services covered under section 4, clause (a) of sub-section (1) of section 5 and section 6;

Definitions.

## (2) "central pool" means the stock of foodgrains which is,—

- (i) procured by the Central Government and the State Governments through minimum support price operations;
- (ii) maintained for allocations under the Targeted Public Distribution System, other welfare schemes, including calamity relief and such other schemes;

## (iii) kept as reserves for schemes referred to in sub-clause (ii);

- (3) "destitute person" means men, women or children who have no resources, means and support required for food and nutrition enabling their survival, to the extent that makes them vulnerable to live with or die of starvation;
- (4) "disaster" shall have the same meaning as assigned to it in clause (d) of section 2 of the Disaster Management Act, 2005;

53 of 2005

(5) "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;

10 of 1955

- (6) "foodgrains" means rice, wheat or coarse grains or any combination thereof;
- (7) "food security" means the supply of the entitled quantity of foodgrains and meal specified under Chapters II, III and IV;
- (8) "food security allowance" means the amount of money to be paid by the concerned State Government to the entitled persons under section 13;
- (9) "homeless persons" means persons who do not have homes and live as such on the roadside, pavements, or in such other places, or in the open, including persons living in shelters for homeless or beggars or such other homes;

- (10) "local authority" includes Panchayat, municipality, district board, cantonment board, town planning authority and in the States of Assam, Manipur, Meghalaya, Mizoram, Nagaland and Tripura where Panchayats do not exist, the village council or committee or any other body, by whatever name called, which is authorised under the Constitution or any law for the time being in force for self-governance or any other authority or body vested with the control and management of civic services, within a specified local area;
- (11) "meal" means hot cooked meal or ready to eat meal or take home ration, as may be prescribed by the Central Government;
- (12) "minimum support price" means the assured price announced by the Central Government at which foodgrains are procured from farmers by the Central Government and the State Governments and their agencies, for the central pool;
- (13) "National Commission" means the National Food Commission constituted under section 26;
- (14) "notification" means a notification issued under this Act and published in the Official Gazette;
- (15) "other welfare schemes" means such Government schemes, in addition to the Targeted Public Distribution System, under which foodgrains or meals are supplied as part of the schemes;
- (16) "person with disability" means a person defined as such in clause (t) of section 2 of the Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1995;

1 of 1996

(17) "priority households" and "general households" mean households identified as such under section 15;

- (18) "prescribed" means prescribed by rules made under this Act;
- (19) "ration card" means a document issued under an order or authority of the State Government for the purchase of essential commodities from the fair price shops under the Targeted Public Distribution System;
- (20) "rural area" means any area in a State except those areas covered by any urban local body or a cantonment board established or constituted under any law for the time being in force;
- (21) "Schedule" means a Schedule appended to this Act;
- (22) "senior citizen" means a person defined as such under clause (b) of section 2 of the Maintenance and Welfare of Parents and Senior Citizens Act, 2007;

56 of 2007

- (23) "social audit" means the process in which people collectively monitor and evaluate the planning and implementation of a programme or scheme;
- (24) "starvation" means prolonged involuntary deprivation of food that threatens survival of the person;
- (25) "State Commission" means the State Food Commission constituted under section 22;
- (26) "State Government", in relation to a Union territory, means the Administrator thereof appointed under article 239 of the Constitution;
- (27) "Targeted Public Distribution System" means the system for distribution of essential commodities to the ration card holders through fair price shops;
- (28) "Vigilance Committee" means a committee constituted under section 37 to supervise the implementation of all schemes under this Act;
- (29) the words and expressions not defined here but defined in the Essential Commodities

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Act, 1955, or any other relevant Act shall have the meaning respectively assigned to them in those Acts.

## CHAPTER II PROVISIONS FOR FOOD SECURITY

- 3. (1) Every person belonging to priority households and general households, identified under sub-section (2) of section 15, shall be entitled to receive every month from the State Government, under the Targeted Public Distribution System, seven kilograms of foodgrains per person per month for priority households and not less than three kilograms of foodgrains per person per month for general households, at subsidised prices specified in Schedule I.
- (2) The entitlements referred to in subsection (1) at subsidised prices shall extend up to seventy-five per cent of the rural population and up to fifty per cent of the urban population:

Provided that not less than forty-six per cent. of the rural and twenty-eight per cent. of the urban population shall be designated as priority households.

(3) On and from the date of commencement of this Act, the entitlements and the coverage referred to in sub-sections (1) and (2), shall be implemented:

Provided that the entitlements of persons belonging to general households shall be linked to such reforms in the Public Distribution System and from such date as may be prescribed by the Central Government.

(4) Subject to sub-section (1), the State Government may provide wheat flour in lieu of the entitled quantity of foodgrains, to the persons belonging to priority households and general households, in accordance with such guidelines as may be notified by the Central Government.

Right to receive foodgrains at subsidised prices by persons belonging to priority households and general households under Targeted Public Distribution System.

Nutritional support to pregnant women and lactating mothers.

- 4. Every pregnant woman and lactating mother shall be entitled to-
- (a) meal, free of charge, during pregnancy and six months after the child birth, through the local anganwadi, so as to meet the nutritional standards specified in Schedule II; and
- (b) maternity benefit of rupees one thousand per month for a period of six months in accordance with a scheme, including cost sharing, payable in such instalments as may be prescribed by the Central Government:

Provided that all pregnant women and lactating mothers in regular employment with the Central Government or State Governments or Public Sector Undertakings or those who are in receipt of similar benefits under any law for the time being in force shall not be entitled to benefits specified in clauses (a) and (b).

Nutritional support to children.

- 5.(1) Every child up to the age of fourteen years shall have the following entitlements for his nutritional needs, namely:—
- (a) in the case of children in the age group of six months to six years, age appropriate meal, free of charge, through the local anganwadi so as to meet the nutritional standards specified in Schedule II:

Provided that for children below the age of six months, exclusive breast feeding shall be promoted;

- (b) in the case of children in the age group of six to fourteen years, one mid-day meal, free of charge, everyday, except on school holidays, in all schools run by local bodies, Government and Government aided schools, up to class VIII, so as to meet the nutritional standards specified in Schedule II.
- (2) Every school, referred to in clause (b) of sub-section (1), and anganwadi shall have

facilities for cooking meals, drinking water and sanitation:

Provided that in urban areas facilities of centralised kitchens for cooking meals may be used, wherever required, as per the guidelines issued by the Central Government.

6. The State Government shall, through the local *anganwadi*, identify and provide meals, free of charge, to children who suffer from malnutrition, so as to meet the nutritional standards specified in Schedule II.

Prevention and management of child malnutrition.

7. The State Governments shall implement schemes covering entitlements under sections 4, 5 and section 6 in accordance with the guidelines, including cost sharing, between the Central Government and the State Governments in such manner as may be prescribed by the Central Government.

Implementation of schemes for realisation of entitlements.

#### CHAPTER III

ENTITLEMENTS OF SPECIAL GROUPS

8. The special groups consisting of all destitute persons or homeless persons shall have the following entitlements, namely:—

Entitlements of special groups.

- (a) all destitute persons shall be entitled to at least one meal every day, free of charge, in accordance with such scheme, including cost sharing, as may be prescribed by the Central Government;
- (b) all homeless persons shall be entitled to affordable meals at community kitchens, in accordance with such scheme, including cost sharing, as may be prescribed by the Central Government;
- (*i*) the entitlements under clauses (*a*) and (*b*) shall be applicable only after it is notified by the respective State Governments:

Provided that persons in receipt of similar benefits under any other scheme of Central Government or State Government shall not be entitled to benefits under clauses (a) and (b);

- (d) every State Government shall notify the entitlements under clauses (a) and (b) within one year from the date of commencement of this Act;
- (e) the migrants and their families shall be able to claim their entitlements under this Act, at the place where they currently reside.

Emergency and disaster affected persons. 9. The State Government shall, if it is of the opinion that an emergency or disaster situation exists, provide to affected households, two meals, free of charge, for a period up to three months from the date of disaster in accordance with such scheme including cost sharing as may be prescribed by the Central Government.

## CHAPTER IV PERSONS LIVING IN STARVATION

Identification of persons living in starvation, if any. 10. The State Government shall identify persons, households, groups, or communities, if any, living in starvation or conditions akin to starvation.

Immediate relief from starvation.

- 11. All persons, households, groups or communities, identified under section 10, shall be provided the following, namely:—
- (a) meals, two times a day, free of charge, in accordance with a scheme, including cost sharing, as may be prescribed by the Central Government, for six months from the date of identification;
- (b) any other relief considered necessary by the State Government.

Protocol for prevention of starvation.

**12.** Every State Government shall prepare and notify guidelines for prevention, identification and relief to cases of starvation.

## CHAPTER V FOOD SECURITY ALLOWANCE

13. In case of non-supply of the entitled quantities of foodgrains or meals to entitled persons under Chapters II, III and IV, such persons shall be entitled to receive such food security allowance from the concerned State Government to be paid to each person, within such time and manner as may be prescribed by the Central Government.

Right to receive food security allowance in certain cases.

#### CHAPTER VI

IDENTIFICATION OF PRIORITY HOUSEHOLDS AND GENERAL HOUSEHOLDS

14. (1) At the all India level, the percentage coverage of overall rural and urban population under the priority and general households, for the purposes of providing subsidised foodgrains under the Targeted Public Distribution System, shall be to the extent specified in sub-section (2) of section 3.

Coverage of population under Targeted Public Distribution System.

- (2) Subject to sub-section (1), the Statewise distribution shall, from time to time, be determined by the Central Government.
- 15. (1) The Central Government may, from time to time, prescribe the guidelines for identification of priority households, general households and exclusion criteria, for the purposes of their entitlement under this Act, and notify such guidelines in the Official Gazette.

Guidelines for identification of priority households and general households.

(2) Within the State-wise number of persons belonging to the priority households and general households, determined under sub-sections (1) and (2) of section 14, identification of priority households and general households shall be done by the State Governments or such other agency as may be decided by the Central Government, in accordance with the guidelines referred to in sub-section (1):

Provided that no household falling under the exclusion criteria, to be prescribed by the Central Government, shall be included either in the priority households or general households.

Publication and display of list of priority households and general households.

Review of number of priority households and general households.

- 16. The list of the identified priority households and general households shall be placed by the State Governments in the public domain and displayed prominently.
- 17. Within the State-wise number of persons belonging to priority households and general households, determined under sub-sections (1) and (2) of section 14, the list of the eligible priority households and general households shall be updated by the State Governments in such manner as may be prescribed by the Central Government.

#### CHAPTER VII

REFORMS IN TARGETED PUBLIC DISTRIBUTION SYSTEM

- 18. (1) The Central and State Governments shall endeavour to progressively undertake necessary reforms in the Targeted Public Distribution System in consonance with the role envisaged for them in this Act.
  - (2) The reforms shall, inter-alia, include—
    - (a) doorstep delivery of foodgrains to the Targeted Public Distribution System outlets;
    - (b) application of information and communication technology tools including end-to-end computerisation in order to ensure transparent recording of transactions at all levels, and to prevent diversion;
    - (i) leveraging "aadhaar" for unique identification, with biometric information of entitled beneficiaries for proper targeting of benefits under this Act;
      - (d) full transparency of records;

Reforms in Targeted Public Distribution System.

- (e) preference to public institutions or public bodies such as Panchayats, self help groups, co-operatives, in licensing of fair price shops and management of fair price shops by women or their collectives;
- (f) diversification of commodities distributed under the Public Distribution System over a period of time;
- (g) support to local public distribution models and grains banks;
- (h) introducing schemes, such as, cash transfer, food coupons, or other schemes, to the targeted beneficiaries in lieu of their foodgrain entitlements specified in Chapter II, in such area and manner as may be prescribed by the Central Government.

#### CHAPTER VIII Women Empowerment

- 19. (1) The eldest woman who is not less than eighteen years of age, in every priority household and general household, shall be head of the household for the purpose of issue of ration cards.
- (2) Where a household at any time does not have a woman or a woman of eighteen years of age or above, but has a female member below the age of eighteen years, then, the eldest male member of the household shall be the head of the household for the purpose of issue of ration card and the female member, on attaining the age of eighteen years, shall become the head of the household for such ration cards in place of such male member.

Women of eighteen years of age or above to be head of household for purpose of issue of ration cards.

#### CHAPTER IX

GRIEVANCE REDRESSAL MECHANISM

20. The Central Government and the State Governments shall put in place an internal grievance redressal mechanism which may

Internal grievance redressal mechanism.

District Grievance Redressal Officer. include call centres, help lines, designation of nodal officers, or such other mechanism as may be prescribed by the respective Governments.

- 21. (1) For expeditious and effective redressal of grievances of the aggrieved persons in matters relating to distribution of entitled foodgrains or meals under Chapters II, III and IV, a District Grievance Redressal Officer, with requisite staff, shall be appointed by the State Government for each District, to enforce these entitlements and investigate and redress grievances.
- (2) The qualifications for appointment as District Grievance Redressal Officer and its powers shall be such as may be prescribed by the Central Government.
- (3) The method and terms and conditions of appointment of the District Grievance Redressal Officer shall be such as may be prescribed by the State Government.
- (4) The State Government shall provide for the salary and allowances of the District Grievance Redressal Officer and other staff appointed under sub-section (1), and such other expenditure as may be considered necessary for their proper functioning.
- (5) The officer referred to in subsection (1) shall hear complaints regarding non distribution of entitled foodgrains or meals, and matters relating thereto, and take necessary action for their redressal in such manner and within such time as may be prescribed by the Central Government.
- (6) Any complainant or the officer or authority against whom any order has been passed by officer referred to in sub-section (1), who is not satisfied with the redressal of grievance may file an appeal against such order before the State Commission.

- (7) Every appeal under sub-section (6) shall be filed in such manner and within such time as may be prescribed by the Central Government.
- 22. (1) Every State Government shall constitute a State Food Commission for the purpose of monitoring and review of implementation of this Act.

State Food Commission

- (2) The State Commission shall consist of—
  - (a) a Chairperson;
  - (b) five other Members; and
  - (c) a Member-Secretary:

Provided that there shall be at least two women, whether Chairperson, Member or Member-Secretary:

Provided further that there shall be one person belonging to the Scheduled Castes and one person belonging to the Scheduled Tribes, whether Chairperson, Member or Member-Secretary.

- $(\beta)$  The Chairperson, other Members and Member-Secretary shall be appointed from amongst persons—
  - (a) who are or have been member of the All India Services or any other civil services of the Union or State or holding a civil post under the Union or State having knowledge and experience in matters relating to food security, policy making and administration in the field of agriculture, civil supplies, nutrition, health or any allied field;
  - (b) of eminence in public life with wide knowledge and experience in agriculture, law, human rights, social service, management, nutrition, health,

food policy or public administration; or

- (*c*) who have a proven record of work relating to the improvement of the food and nutrition rights of the poor.
- (4) The Chairperson and every other Member shall hold office for a term not exceeding five years from the date on which he enters upon his office and shall be eligible for reappointment:

Provided that no person shall hold office as the Chairperson or other Member after he has attained the age of sixty-five years.

- (5) The method of appointment and other terms and conditions subject to which the Chairperson, other Members and Member-Secretary of the State Commission may be appointed, and time, place and procedure of meetings of the State Commission (including the quorum at such meetings) and its powers, shall be such as may be prescribed by the State Government.
- (6) The State Commission shall undertake the following functions, namely:—
  - (a) monitor and evaluate the implementation of the Act, in relation to the State;
  - (b) either suo motu or on receipt of complaint inquire into violations of entitlements provided under Chapters II, III and IV;
  - (*i*) issue guidelines to the State Government in consonance with the guidelines of the National Commission in implementation of this Act;
  - (d) give advice to the State Government, their agencies, autonomous bodies as well as nongovernmental organisations involved

- in delivery of relevant services, for the effective implementation of food and nutrition related schemes, to enable individuals to fully access their entitlements specified in this Act;
- (e) hear appeals against orders of the District Grievance Redressal Officer;
- (f) hear complaints transferred to it by the National Commission; and
- (g) prepare annual reports which shall be laid before the State Legislature by the State Government.
- (7) The State Government shall make available to the State Commission, such administrative and technical staff, as it may consider necessary for proper functioning of the State Commission.
- (8) The method of appointment of the staff under sub-section (7), their salaries, allowances and conditions of service shall be such, as may be prescribed by the State Government.
- (9) The State Government may remove from office the Chairperson or any Member who
  - (a) is, or at any time has been, adjudged as an insolvent; or
  - (b) has become physically or mentally incapable of acting as a member; or
  - (*t*) has been convicted of an offence which, in the opinion of the State Government, involves moral turpitude; or
  - (d) has acquired such financial or other interest as is likely to affect prejudicially his functions as a member; or

- (e) has so abused his position as to render his continuation in office detrimental to the public interest.
- (10) No such Chairperson or Member shall be removed under clause (d) or clause (e) of sub-section (9) unless he has been given a reasonable opportunity of being heard in the matter.
- Salary and allowances of Chairperson, Member, Member-Secretary and other staff of State Commission.

Joint State Food Commission.

Application of certain provisions of National Food Commission to State Food Commission.

National Food Commission.

- 23. The State Government shall provide for salary and allowances of Chairperson, other Members, Member-Secretary, support staff, and other administrative expenses required for proper functioning of the State Commission.
- **24.** Notwithstanding anything contained in sub-section (1) of section 22, two or more States may have a Joint State Food Commission for the purposes of this Act with the approval of the Central Government.
- **25.** The provisions of section 27 shall apply to the State Food Commission and shall have effect subject to the modification that reference to the National Commission shall be construed as reference to the State Commission.
- 26. (1) The Central Government shall constitute a body known as the National Food Commission to perform the functions assigned to it under this Act.
- (2) The headquarters of the National Commission shall be located in the National Capital Region.
  - (3) The National Commission shall consist of—
    - (a) a Chairperson;
    - (b) five other Members; and
    - (c) a Member-Secretary:

Provided that there shall be at least two

women, whether Chairperson, Member or Member-Secretary:

Provided further that there shall be one person belonging to the Scheduled Castes and one person belonging to the Scheduled Tribes whether Chairperson, Member or Member-Secretary.

- (4) The Chairperson, other Members and Member-Secretary shall be appointed from amongst persons—
  - (a) who are or have been a member of All India Services or Indian Legal Service or any other civil services of the Union or holding a civil post under the Union having knowledge and experience in matters relating to food security, policy making and administration in the field of agriculture, civil supplies, nutrition, health or any allied field;
  - (b) of eminence in public life with wide knowledge and experience in agriculture, law, human rights, social service, management, nutrition, health, food policy or public administration; or
  - (c) who have a proven record of work relating to the improvement of the food and nutrition rights of the poor.
- (5) The Chairperson and every other Member shall hold office for a term not exceeding five years from the date on which he enters upon his office and shall be eligible for reappointment:

Provided that no person shall hold office as the Chairperson or other Member after he has attained the age of sixty-five years.

(6) The method of appointment and other terms and conditions subject to which the Chairperson, other Members and Member-Secretary of the National Commission may be appointed, and time, place and procedure of meetings of the National Commission (including

the quorum at such meetings) and its powers, shall be such as may be prescribed by the Central Government.

- (7) The National Commission shall undertake the following functions, namely:—
  - (a) monitor and evaluate the implementation of this Act and schemes made thereunder;
  - (b) either suo motu or on receipt of complaint inquire into violations of entitlements provided under Chapters II, III and IV;
  - (i) advise the Central Government in synergising existing schemes and framing new schemes for the entitlements provided under this Act;
  - (d) recommend to the Central Government and the State Governments, steps for the effective implementation of food and nutrition related schemes, to enable persons to fully access their entitlements specified in this Act;
  - (e) issue requisite guidelines for training, capacity building and performance management of all persons charged with the duty of implementation of the schemes;
  - (f) consider the reports and recommendations of the State Commissions for inclusion in its annual report;
  - (g) hear appeals against the orders of the State Commission;
  - (b) prepare annual reports on implementation of this Act, which shall be laid before each House of Parliament by the Central Government.

- (8) The Central Government shall make available to the National Commission such other administrative and technical staff, as it may consider necessary for proper functioning of the National Commission.
- (9) The method of appointment of the staff under sub-section (8), their salaries, allowances and conditions of service shall be such as may be prescribed by the Central Government.
- (10) The Central Government may remove from office the Chairperson or any Member who—
  - (a) is, or at any time has been, adjudged as an insolvent; or
  - (b) has become physically or mentally incapable of acting as a member; or
  - (i) has been convicted of an offence which, in the opinion of the Central Government, involves moral turpitude; or
  - (d) has acquired such financial or other interest as is likely to affect prejudicially his functions as a member; or
  - (e) has so abused his position as to render his continuation in office detrimental to the public interest.
- (11) No such Chairperson or Member shall be removed under clause (d) or clause (e) of subsection (10) unless he has been given a reasonable opportunity of being heard in the matter.
- **27.** (1) The National Commission shall, while inquiring into any matter referred to in clause (b) of sub-section (7) of section 26, have all the powers of a civil court while trying a suit under the Code of Civil Procedure, 1908, and, in particular, in respect of the following matters, namely:—

(a) summoning and enforcing the attendance of any person and examining him on oath;

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Powers relating to inquiries.

- (b) discovery and production of any document:
  - (c) receiving evidence on affidavits;
- (d) requisitioning any public record or copy thereof from any court or office; and
- (e) issuing commissions examination of witnesses or documents.
- (2) The National Commission shall have the power to forward any case to a Magistrate having jurisdiction to try the same and the Magistrate to whom any such case is forwarded shall proceed to hear the complaint against the accused as if the case has been forwarded to him under section 346 of the Code of Criminal Procedure, 1973.

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Salary and allowances of Chairperson, Member, Member-Secretary and other staff of

Vacancies, etc., not to invalidate proceedings of State Commission or National Commission.

- 28. The Central Government shall provide for the salary and allowances of Chairperson, other Members Member-Secretary and and support staff and other administrative expenses, required for proper functioning of National Commission. the National Commission.
  - 29. No act or proceeding of the State Commission or the National Commission, as the case may be, shall be invalid merely by reason of—
    - (a) any vacancy in, or any defect in the constitution of, the State Commission or, as the case may be, the National Commission; or
    - (b) any defect in the appointment of a person acting as a member of the State Commission or, as the case may be, the National Commission; or
    - (c) any irregularity in the procedure of the State Commission or, as the case may be, the National Commission not affecting the merits of the case.

#### CHAPTER X

# OBLIGATIONS OF CENTRAL GOVERNMENT FOR FOOD SECURITY

- **30.** (1) The Central Government shall, for ensuring the regular supply of foodgrains to persons belonging to priority households and general households, allocate from the central pool the required quantity of foodgrains to the State Governments under the Targeted Public Distribution System, as per the entitlements under section 3 and at prices specified in Schedule I.
- Central
  Government
  to allocate
  required
  quantity of
  foodgrains
  from central
  pool to State
  Governments.
- (2) The Central Government shall allocate foodgrains in accordance with the number of persons belonging to the priority households and general households identified in each State under section 15.
- (3) The allocation of foodgrains under sub-section (2) shall be revised annually, in the prescribed manner, based on the actual or estimated population, as the case may be.
- (4) The Central Government shall provide foodgrains in respect of entitlements under sections 4, 5, 6, 8, 9 and section 11, to the State Governments, at prices specified for the persons belonging to priority households in Schedule I.
- (5) Without prejudice to sub-section (1), the Central Government shall,—
  - (a) procure foodgrains for the central pool through its own agencies and the State Governments and their agencies;
    - (b) allocate foodgrains to the States;
  - (i) provide for transportation of foodgrains, as per allocation, to the depots designated by the Central Government in each State; and
  - (d) create and maintain required modern and scientific storage facilities at various levels.

Provision for funds by Central Government to State Government in certain cases. 31. In case of short supply of foodgrains from the central pool to a State, the Central Government shall provide funds to the extent of short supply to the State Government for meeting obligations under Chapters II, III and IV in such manner as may be prescribed by the Central Government.

### CHAPTER XI

Obligations of State Government For Food Security

Implementation and monitoring of schemes for ensuring food security.

- **32.** (1) The State Government shall be responsible for implementation and monitoring of the schemes of various Ministries and Departments of the Central Government in accordance with guidelines issued by the Central Government for each scheme, and their own schemes, for ensuring food security to the targeted beneficiaries in their State.
- (2) Under the Targeted Public Distribution System, it shall be the duty of the State Government to—
  - (a) take delivery of foodgrains from the designated depots of the Central Government in the State, at the prices specified in Schedule I, organise intra-State allocations for delivery of the allocated foodgrains through their authorised agencies at the door-step of each fair price shop; and
  - (b) ensure actual delivery or supply of the foodgrains to the entitled persons at the prices specified in Schedule I.
- (3) For foodgrain requirements in respect of entitlements under sections 4, 5, 6, 8, 9 and section 11, it shall be the responsibility of the State Government to take delivery of foodgrains from the designated depots of the Central Government in the State, at the prices specified in Schedule I for persons belonging

### to priority households and ensure actual delivery of entitled benefits, as specified in the sections aforesaid.

- (4) The State Government shall prepare and notify guidelines for prevention, identification and relief to cases of starvation as referred to in section 12.
- (5) In case of non-supply of the entitled quantities of foodgrains or meals to entitled persons under Chapters II, III and IV, the State Government shall be responsible for payment of food security allowance specified in section 13.
- (6) For efficient operations of the Targeted Public Distribution System, every State Government shall,—
  - (a) create and maintain scientific storage facilities at the State, District and Block levels, being sufficient to accommodate foodgrains required under the Targeted Public Distribution System and other food based welfare schemes;
  - (b) suitably strengthen capacities of their Food and Civil Supplies Corporations and other designated agencies;
  - (*i*) establish institutionalised licensing arrangements for fair price shops in accordance with the relevant provisions of the Public Distribution System (Control) Order, 2001 made under the Essential Commodities Act, 1955, as amended from time to time.

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# CHAPTER XII OBLIGATIONS OF LOCAL AUTHORITIES

**33.** (1) The local authorities shall be responsible for the proper implementation of this Act in their respective areas.

Implementation of Targeted Public Distribution System.

(2) Without prejudice to sub-section (1), the State Government may assign, by notification, additional responsibilities for implementation of the Targeted Public Distribution System to the local authority.

Obligations of local authority.

Disclosure of records of

Targeted Public

Distribution

social audit.

System. Conduct of

34. In implementing different schemes of the Ministries and Departments of the Central Government and the State Governments. prepared to implement provisions of this Act, the local authority shall be responsible for discharging such duties and responsibilities as may be assigned to them, by notification, by the respective State Governments.

### CHAPTER XIII

### Transparency and Accountability

- 35. All Targeted Public Distribution System related records shall be placed in the public domain and kept open for inspection to the public, in such manner as may be prescribed by the State Government.
- 36. (1) Every local authority, or any other authority or body, as may be authorised by the State Government, shall conduct or cause to be conducted, periodic social audits on the functioning of fair price shops, Targeted Public Distribution System and other welfare schemes, and cause to publicise its findings and take necessary action, in such manner as may be prescribed by the State Government.
- (2) The Central Government may, if it considers necessary, conduct or cause to be conducted social audit through independent agencies having experience in conduct of such audits.

Committees.

37. (1) For ensuring transparency and proper functioning of the Targeted Public Distribution System and accountability of the functionaries in such system, every State Government shall set up Vigilance Committees as specified in the Public Distribution System (Control) Order, 2001, made under the 10 of 1955

Essential Commodities Act, 1955, as amended from time to time, at the State, District, Block and fair price shop levels consisting of such persons, as may be prescribed by the State Government giving due representation to the local authorities, the Scheduled Castes, the Scheduled Tribes, women and destitute persons or persons with disability.

- (2) The Vigilance Committees shall perform the following functions, namely:—
  - (a) regularly supervise the implementation of all schemes under this Act;
  - (b) inform the District Grievance Redressal Officer, in writing, of any violation of the provisions of this Act; and
  - (i) inform the District Grievance Redressal Officer, in writing, of any malpractice or misappropriation of funds found by it.

# CHAPTER XIV Provisions for Advancing Food Security

**38.** The Central Government and the State Governments shall, while implementing the provisions of this Act and the schemes for meeting specified entitlements, give special focus to the needs of the vulnerable groups especially in remote areas and other areas which are difficult to access, hilly and tribal areas for ensuring their food security.

Food security for people living in remote, hilly and tribal areas.

39. The Central Government, the State Governments and local authorities shall, for the purpose of advancing food and nutritional security, strive to progressively realise the objectives specified in Schedule III.

Steps to further advance food and nutritional security.

### CHAPTER XV Miscellaneous

40. The provisions of this Act shall not preclude the Central Government or the State

Other welfare schemes.

# Governments from continuing or formulating other food based welfare schemes.

Penalties.

41. Any public servant or authority found guilty, by the State Commission or the National Commission at the time of deciding any complaint or appeal, of failing to provide the relief recommended by the District Grievance Redressal Officer, without reasonable cause, or wilfully ignoring such recommendation, shall be liable to penalty not exceeding five thousand rupees:

Provided that the public servant or the public authority, as the case may be, shall be given a reasonable opportunity of being heard before any penalty is imposed.

Power to adjudicate.

- **42.** (1) For the purpose of adjudging penalty under section 41, the State Commission or the National Commission, as the case may be, shall authorise any of its member to be an adjudicating officer for holding an inquiry in the prescribed manner after giving any person concerned a reasonable opportunity of being heard for the purpose of imposing any penalty.
- (2) While holding an inquiry the adjudicating officer shall have power to summon and enforce the attendance of any person acquainted with the facts and circumstances of the case to give evidence or to produce any document which in the opinion of the adjudicating officer, may be useful for or relevant to the subject matter of the inquiry and if, on such inquiry, he is satisfied that the person has failed to provide the relief recommended by the District Grievance Redressal Officer, without reasonable cause, or wilfully ignored such recommendation, he may impose such penalty as he thinks fit in accordance with the provisions of section 41.
- Power to delegate by Central Government and State Government.
- **43.** (1) The Central Government may, by notification, direct that the powers exercisable by it (except the power to make rules), in such circumstances and subject to such conditions and limitations, be exercisable also by the State

Government or an officer subordinate to the Central Government or the State Government as it may specify in the notification.

- (2) The State Government may, by notification, direct that the powers exercisable by it (except the power to make rules), in such circumstances and subject to such conditions and limitations, be exercisable also by an officer subordinate to it as it may specify in the notification.
- **44.** The provisions of this Act or the schemes made thereunder shall have effect notwithstanding anything inconsistent therewith contained in any other law for the time being in force or in any instrument having effect by virtue of such law.

Act to have overriding effect.

**45.** (1) If the Central Government is satisfied that it is necessary or expedient so to do, it may, by notification, amend Schedule I or Schedule II or Schedule III and thereupon Schedule I or Schedule III or Schedule III, as the case may be, shall be deemed to have been amended accordingly.

Power to amend Schedules.

- (2) A copy of every notification issued under sub-section (1), shall be laid before each House of Parliament as soon as may be after it is issued.
- **46.** The Central Government may, from time to time, give such directions, as it may consider necessary, to the State Governments for the effective implementation of the provisions of this Act and the State Governments shall comply with such directions.

Power of Central Government to give directions.

47. (1) The Central Government may, by notification, and subject to the condition of previous publication, make rules to carry out the provisions of this Act.

Power of Central Government to make rules.

- (2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—
  - (a) reforms in the Public Distribution System and the date from which

- entitlement of general population shall be linked to such reforms under sub-section (3) of section 3;
- (b) guidelines for providing wheat flour in lieu of entitled quantity of foodgrains under sub-section (4) of section 3;
- (c) scheme including cost sharing for providing maternity benefit to pregnant women and lactating mothers under clause (b) of section 4;
- (d) schemes covering entitlements under sections 4, 5 and section 6 including cost sharing under section 7;
- (e) scheme including cost sharing for destitute and homeless persons under section 8;
- (f) scheme including cost sharing for emergency and disaster affected persons under section 9;
- (g) scheme including cost sharing for persons living in starvation under clause (a) of section 11;
- (h) amount, time and manner of payment of food security allowance to entitled individuals under section 13;
- (*i*) guidelines for identification of priority and general households, including exclusion criteria for the purpose of their entitlement under sub-section (*1*) of section 15;
- (*j*) manner in which the list of priority households and general households shall be updated under section 17;
- (k) internal grievance redressal mechanism under section 20;
- (/) qualifications for appointment as District Grievance Redressal Officer

- and its powers under sub-section (2) of section 21;
- (m) manner and time-limit for hearing complaints by the District Grievance Redressal Officer and the filing of appeals under sub-sections (5) and (7) of section 21;
- (n) method of appointment and the terms and conditions of appointment of Chairperson, other Members and Member-Secretary of the National Commission, its powers, and procedure of meetings of the Commission, under sub-section (6) of section 26;
- (*o*) method of appointment of staff of the National Commission, their salary, allowances and conditions of service under sub-section (*9*) of section 26;
- (p) manner in which funds shall be provided by the Central Government to the State Governments in case of short supply of foodgrains, under section 31;
- (q) schemes or programmes of the Central Government or the State Governments for utilisation of institutional mechanism under section 51;
- (r) any other matter which is to be, or may be, prescribed or in respect of which provision is to be made by the Central Government by rules.
- (3) Every rule made by the Central Government under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both Houses agree

that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

Power of State Government to make rules.

- **48.** (1) The State Government may, by notification, and subject to the condition of previous publication, and consistent with this Act and the rules made by the Central Government, make rules to carry out the provisions of this Act.
- (2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—
  - (a) internal grievance redressal mechanism under section 20;
  - (b) method and terms and conditions of appointment of the District Grievance Redressal Officer under sub-section (3) of section 21;
  - (*i*) method of appointment and the terms and conditions of appointment of Chairperson, other Members and Member-Secretary of the State Commission, procedure for meetings of the Commission and its powers, under sub-section (*5*) of section 22;
  - (d) method of appointment of staff of the State Commission, their salaries, allowances and conditions of service under sub-section (8) of section 22;
  - (e) manner in which the Targeted Public Distribution System related records shall be placed in the public domain and kept open for inspection to public under section 35;
  - (f) manner in which the social audit on the functioning of fair price shops,

Targeted Public Distribution System and other welfare schemes shall be conducted under section 36:

- (g) details of constitution of Vigilance Committees under sub-section (1) of section 37:
- (b) any other matter which is to be, or may be, prescribed or in respect of which provision is to be made by the State Government by rules.
- (3) Every rule, notification and guidelines made or issued by the State Government under this Act shall, as soon as may be after it is made or issued, be laid before each House of the State Legislature where there are two Houses, and where there is one House of the State Legislature, before that House.
- **49.** The schemes, guidelines, orders and food standard, existing on the date of commencement of this Act, shall continue to be in force and operate till such schemes, guidelines, orders and food standard are specified under this Act or the rules made thereunder:

Transitory provisions for schemes, guidelines, etc.

Provided that anything done or any action taken under the said schemes, guidelines, orders and food standard shall be deemed to have been done or taken under the corresponding provisions of this Act and shall continue to be in force accordingly unless and until superseded by anything done or by any action taken under this Act.

**50.** (1) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order, published in the Official Gazette, make such provisions, not inconsistent with the provisions of this Act, as appear to it to be necessary or expedient for removing the difficulty:

Power to remove difficulties.

Provided that no order shall be made under this section after the expiry of two years from the date of commencement of this Act. (2) Every order made under this section shall be laid, as soon as may be after it is made, before each House of Parliament.

authorities

Utilisation of institutional mechanism for other purposes.

appointed or constituted under sections 21, 22 and section 26 may be utilised in the implementation of other schemes or programmes of the Central Government or the State Governments, as may be prescribed by the Central Government.

**51.** The services of

Force majeure.

**52.** The Central Government, or as the case may be the State Government, shall not be liable for any claim by persons belonging to the priority households or general households or other groups entitled under this Act for loss, damage, or compensation; whatsoever, arising out of failure of supply of foodgrains or meals when such failure of supply is due, either directly or indirectly, to *force majeure* conditions, such as, war, flood, drought, fire, cyclone, earthquake or any act of God.

# SCHEDULE I

[See sections 3(1), 30(1), (4) and 32(2), (3)]

## SUBSIDISED PRICES UNDER TARGETED PUBLIC DISTRIBUTION SYSTEM

| Subsidised Price for Priority Households | Subsidised Price for General<br>Households   |  |
|--|--|--|
|  | Not exceeding 50 per cent of the minimum support price for wheat and coarse grains, and not exceeding 50 per cent of derived minimum support price for rice. |  |

### SCHEDULE II

[See sections 4(a), 5(1) and 6]

#### NUTRITIONAL STANDARDS

Nutritional standards: The nutritional standards for children in the age group of 6 months to 3 years, age group of 3 to 6 years and pregnant and lactating women required to be met by providing "Take Home Rations" or nutritious hot cooked meal or ready to eat meal in accordance with the Integrated Child Development Services Scheme and nutritional standards for children in lower and upper primary classes under the Mid Day Meal Scheme are as follows:

| S. No. | Category  | Type of meal <sup>2</sup>            | Calories<br>(Kcal) | Protein (g) |
|--------|---|--------------------------------------|--------------------|-------------|
| 1.     | Children (6 months to 3 years)                            | Take Home Ration                     | 500                | 12-15       |
| 2.     | Children (3 to 6 years)                                   | Morning Snack and<br>Hot Cooked Meal | 500                | 12-15       |
| 3.     | Children<br>(6 months to 6 years)<br>who are malnourished | Take Home Ration                     | 800                | 20-25       |
| 4.     | Lower primary classes                                     | Hot Cooked Meal                      | 450                | 12          |
| 5.     | Upper primary classes                                     | Hot Cooked Meal                      | 700                | 20          |
| 6.     | Pregnant and Lactating mothers                            | Take Home Ration                     | 600                | 18-20       |

Note: 1 — Energy Dense Food fortified with micronutrients as per 50 per cent. of Recommended Dietary Allowance.

Note: 2 - Meals shall be prepared in accordance with the prevailing Food Laws.

NB: Nutritional standards are notified to provide balance diet and nutritious foods in terms of the calorie counts, protein value and micronutrients specified.

### SCHEDULE III

[See section 39]

### Provisions for Advancing Food Security

- (1) Revitalisation of Agriculture -
  - (a) agrarian reforms through measures for securing interests of small and marginal farmers;
  - (b) increase in investments in agriculture, including research and development, extension services, micro and minor irrigation and power to increase productivity and production;
  - (c) ensuring remunerative prices, credit, irrigation, power, crop insurance, etc.;
  - (d) prohibiting unwarranted diversion of land and water from food production.
- (2) Procurement, Storage and Movement related interventions-
  - (a) incentivising decentralised procurement including procurement of coarse grains;
  - (b) geographical diversification of procurement operations;
  - (c) augmentation of adequate decentralised modern and scientific storage;
  - (d) giving top priority to movement of foodgrains and providing sufficient number of rakes for this purpose, including expanding the line capacity of railways to facilitate foodgrain movement from surplus to consuming regions.
- (3) Others: Access to-
  - (a) safe and adequate drinking water and sanitation;
  - (b) health care;
  - (c) nutritional, health and education support to adolescent girls;
  - (d) adequate pensions for senior citizens, persons with disability and single women.

### STATEMENT OF OBJECTS AND REASONS

Article 47 of the Constitution, *inter-alia*, provides that the State shall regard raising the level of nutrition and the standard of living of its people and the improvement of public health as among its primary duties. The Universal Declaration of Human Rights and International Covenant on Economic, Social and Cultural Rights, to which India is a signatory, also cast responsibilities on all State parties to recognise the right of everyone to adequate food. Eradicating extreme poverty and hunger is one of the goals under the Millennium Development Goals of the United Nations.

- 2. In pursuance of the constitutional obligations and obligations under the international conventions, providing food security has been focus of the Government's planning and policy. Food security means availability of sufficient foodgrains to meet the domestic demand as well as access, at the individual level, to adequate quantities of food at affordable prices. Attainment of self-sufficiency in foodgrains production at the national level has been one of the major achievements of the country. In order to address the issue of food security at the household level, Government is implementing the Targeted Public Distribution System under which subsidised foodgrains is provided to the Below Poverty Line, including Antyodaya Anna Yojana, and above poverty line households. While the Below Poverty Line households under the Targeted Public Distribution System receive thirty-five kilograms foodgrains per family per month, the allocation to Above Poverty Line households depends upon availability of foodgrains in the Central pool. Allocations for other food based welfare schemes for women and children, natural disasters, etc., are also being made at subsidised rates.
- 3. Ensuring food security of the people, however, continues to be a challenge. The nutritional status of the population, and especially of women and children, also needs to be improved to enhance the quality of human resource of the country. The proposed legislation marks a paradigm shift in addressing the problem of food security—from the current welfare approach to a right based approach. Besides expanding coverage of the Targeted Public Distribution System, the proposed legislation would confer legal rights on eligible beneficiaries to receive entitled quantities of foodgrains at highly subsidised prices. It will also confer legal rights on women and children and other Special Groups such as destitute, homeless, disaster and emergency affected persons and persons living in starvation, to receive meal free of charge or at affordable price, as the case may be.

- 4. In view of the preceding paragraphs, it is proposed to enact a new legislation, namely, the National Food Security Bill, 2011, to—
  - (a) provide for food and nutritional security, in human life cycle approach, by ensuring access to adequate quantity of quality food at affordable prices, to people to live a life with dignity;
  - (b) entitle every person belonging to priority households and general households, to receive every month from the State Government, under the Targeted Public Distribution System, seven kilograms of foodgrains per person per month for priority households and not less than three kilograms of foodgrains per person per month for general households, at subsidised prices specified in Schedule I to the proposed legislation and the said entitlements at subsidised prices shall extend up to seventy-five per cent. of the rural population and up to fifty per cent. of the urban population with not less than forty-six per cent. of the rural and twenty-eight per cent. of the urban population be designated as priority households;
  - (c) entitle every pregnant woman and lactating mother to meal, free of charge, during pregnancy and six months after child birth, through the local anganwadi, so as to meet the nutritional standards specified in Schedule II; and to provide to such women maternity benefit of rupees one thousand per month for a period of six months in accordance with a scheme, including cost sharing, payable in such instalments as may be prescribed by the Central Government;
  - (d) entitle every child up to the age of fourteen years—(i) age appropriate meal, free of charge, through the local anganwadi so as to meet the nutritional standards specified in Schedule II in the case of children in the age group of six months to six years; and (ii) one mid day meal, free of charge, everyday, except on school holidays, in all schools run by local bodies, Government and Government aided schools, up to class VIII, so as to meet the nutritional standards specified in Schedule II in the case of children in the age group of six to fourteen years;
  - (e) require the State Government to identify and provide meals through the local anganwadi, free of charge, to children who suffer from malnutrition, so as to meet the nutritional standards specified in Schedule II; and implement schemes covering entitlements of women and children in accordance with the guidelines, including cost sharing, between the Central Government and the State Governments in such manner as may be prescribed by the Central Government;

- (f) entitle in case of destitute persons at least one meal every day, free of charge, in accordance with such scheme, including cost sharing as may be prescribed by the Central Government; and in case of homeless persons of affordable meals at community kitchens, in accordance with such scheme, including cost sharing as may be prescribed by the Central Government;
- (g) require the State Government, if it is of the opinion that an emergency or disaster situation exists, to provide the affected households, two meals, free of charge, for a period up to three months from the date of disaster in accordance with such scheme including cost sharing as may be prescribed by the Central Government;
- (h) require the State Government to identify persons, households, groups, or communities, if any, living in starvation or conditions akin to starvation and provide to all such persons, meals, two times a day, free of charge, in accordance with a scheme, including cost sharing, as may be prescribed by the Central Government, for six months from the date of such identification; and any other relief considered necessary by the State Government;
- (i) entitle the eligible persons under Chapters II, III and IV of the proposed legislation, to receive such food security allowance from the concerned State Government to be paid to each person, in case of non-supply of the entitled quantities of foodgrains or meals, within the time and manner prescribed by the Central Government;
- (j) provide subsidised foodgrains under the Targeted Public Distribution System to specified percentage of rural and urban population under the priority and general households, at the all India level and empower the Central Government to determine the State-wise distribution, from time to time;
- (k) enable the Central Government to prescribe guidelines for identification of priority, general households and exclusion criteria, for the purposes of their entitlement under the proposed legislation;
- (l) make provision for the identification of priority households and general households to be done by the State Governments or such other agency as may be decided by the Central Government, in accordance with the guidelines made by the Central Government;
- (m) progressively undertake necessary reforms by the Central and State Governments in the Targeted Public Distribution System in consonance with the role envisaged for them in the proposed legislation;

- (n) treat the eldest woman who is not less than eighteen years of age, in every priority household and general household, to be head of the household for the purpose of issue of ration cards;
- (o) impose obligation upon the Central Government and the State Governments to put in place an internal grievance redressal mechanism which may include call centres, help lines, designation of nodal officers, or such other mechanism as may be prescribed by the respective Governments; and for expeditious and effective redressal of grievances of the aggrieved persons in matters relating to distribution of entitled foodgrains or meals under Chapters II, III and IV of the proposed legislation, a District Grievance Redressal Officer, with requisite staff, to be appointed by the State Government for each District, to enforce these entitlements and investigate and redress grievances;
- (p) make provision for State Food Commission to be constituted by every State Government for the purpose of monitoring and review of implementation of the proposed legislation and the National Food Commission to be constituted by the Central Government to perform the functions assigned to it under the proposed legislation;
- (q) impose obligation upon the Central Government to ensure regular supply of foodgrains for persons belonging to priority households and general households and allocate the required quantity of foodgrains to the State Governments under the Targeted Public Distribution System from the central pool as per the entitlements and at prices specified in Schedule I to the proposed legislation;
- (r) make provision for implementation and monitoring by the State Government of the schemes of various Ministries and Departments of the Central Government in accordance with guidelines issued by the Central Government for each scheme, and their own schemes, for ensuring food security to the targeted beneficiaries in their State; and make the local authorities responsible, for the proper implementation of the proposed legislation in their respective areas;
- (s) conduct or cause to be conducted by every local authority, or any other authority or body, as may be authorised by the State Government, periodic social audits on the functioning of fair price shops, Targeted Public Distribution System and other welfare schemes, and cause to publicise its findings and take necessary action, in such manner as may be prescribed by the State Government;

- (t) impose penalty upon any public servant or authority found guilty, by the State Commission or the National Commission at the time of deciding any complaint or appeal, of failing to provide the relief recommended by the District Grievance Redressal Officer, without reasonable cause, or wilfully ignoring such recommendation, not exceeding five thousand rupees after proper consideration and giving an opportunity of being heard.
- 5. The notes on clauses explain in detail the various provisions contained in the Bill.
  - 6. The Bill seeks to achieve the above objectives.

New Delhi The 19th December, 2011 K. V. THOMAS

#### Notes on Clauses

Clause 1 - This clause provides for short title, extent and commencement.

Clause 2 - This clause provides for definitions of certain expressions used in the proposed legislation which, *inter-alia*, include the expressions 'angwanwadi', 'central pool', 'destitute person', 'disaster', 'fair price shop', 'foodgrains', 'food security', 'food security allowance', 'homeless persons', 'local authority', 'meal', 'minimum support price', 'other welfare schemes', 'person with disability', 'priority households', 'general households', 'ration card', 'rural area', 'senior citizen', 'social audit', 'starvation', 'Targeted Public Distribution System', and 'vigilance committee', etc.

Clause 3 - This clause provides for right to receive foodgrains at subsidised prices by persons belonging to priority households and general households under the Targeted Public Distribution System. It provides that every person belonging to priority households and general households, shall be entitled to receive every month from the State Government, under the Targeted Public Distribution System, seven kilograms of foodgrains per person per month for priority households and not less than three kilograms of foodgrains per person per month for general households, at prices specified in Schedule I. It further provides that the entitlements shall extend up to seventy-five per cent., of the rural population, with not less than forty-six per cent., as priority households and up to fifty per cent. of the urban population, with not less than twentyeight per cent. as priority households. It also provides that the entitlements shall be implemented with effect from the date of commencement of this Act provided that entitlements of persons belonging to general households shall be linked to such reforms in the Public Distribution System from such dates as may be prescribed by the Central Government. It also provides that the State Government may provide wheat flour in lieu of the entitled quantity of foodgrains, in accordance with the guidelines notified by the Central Government.

Clause 4 - This clause provides for nutritional support to pregnant women and lactating mothers. It provides that every pregnant woman and lactating mother shall be entitled to meal free of charge during pregnancy and six months after the child birth and maternity benefit of rupees one thousand per month for a period of six months.

Clause 5 - This clause provides for nutritional support to children. It provides that children below fourteen years of age, shall be entitled, to (i) age appropriate meal free of charge for children in the age group of six months to six years (ii) for children in age group of six years to fourteen years, one

mid day meal, free of charge, everyday except school holidays in all schools run by local bodies, Government and Government- aided schools. Nutritional norms for meals to be provided have been specified in Schedule II.

- Clause 6 This clause provides for prevention and management of child malnutrition. It lays down that State Government shall identify children suffering from malnutrition and provide them meal, free of charge, to meet nutritional standards specified in Schedule II.
- Clause 7 This clause provides for implementation of schemes for realisation of entitlements. It provides that schemes for meeting entitlements of pregnant women and lactating mothers and children shall be implemented by the State Government in accordance with guidelines, including cost sharing, prescribed by the Central Government.
- Clause 8 This clause provides for entitlements of special groups. It provides that all destitute persons will be entitled to at least one meal every day free of charge and all homeless persons will be entitled to affordable meals, in accordance with schemes, including cost sharing, to be prescribed by the Central Government. It further provides that the migrants and their families shall be able to claim their entitlements from wherever they reside.
- Clause 9 This clause makes provision for emergency and disaster-affected persons. It provides that the State Government shall in an emergency and disaster situation provide two meals to the affected households, free of charge, for a period upto three months, in accordance with such scheme, including cost sharing, as may be prescribed by the Central Government.
- Clause 10 This clause provides for identification of persons living in starvation, if any. It lays down the responsibility on the State Government to identify persons, households, groups or communities, if any, living in starvation or conditions akin to starvation.
- Clause 11 This clause provides for immediate relief from starvation. It provides that all persons, households, groups or communities, identified under clause 10, shall be entitled to—(a) meals, two times a day, free of charge, in accordance with a scheme, including cost sharing, as may be prescribed by the Central Government, for six months from the date of identification; and (b) any other relief considered necessary by the State Government.
- Clause 12 This clause provides for protocol for prevention of starvation. It lays down the responsibility of State Governments to prepare and notify guidelines for prevention, identification and relief to cases of starvation.
- Clause 13 This clause provides for right to receive food security allowance in certain cases. It provides that in case of non-supply of entitled

foodgrains or meals, the entitled persons shall be entitled to receive food security allowance from the State Government, within such time and manner as may be prescribed by the Central Government.

- Clause 14 This clause provides for coverage of population under Targeted Public Distribution System. It provides that at the all India level, the percentage coverage of overall rural and urban population under the priority and general households, for the purposes of providing subsidised foodgrains under the Targeted Public Distribution System, shall be to the extent specified in sub-clause (2) of clause 3 and the state-wise distribution shall be determined by the Central Government.
- Clause 15 This clause provides for guidelines for identification of priority households and general households. It provides that the Central Government may prescribe guidelines for identification of priority and general households, and within the State-wise number of persons belonging to priority and general households determined under clause 14, the identification of priority households and general households shall be done by the State Governments or such other agency as may be decided by the Central Government.
- Clause 16 This clause provides for publication and display of list of priority households and general households. It requires the State Governments to place the list of priority and general households in public domain and display it prominently.
- Clause 17 This clause provides for review of number of priority households and general households. It provides that within the State-wise number of persons belonging to priority and general households determined under sub-clauses (1) and (2) of clause 14, the list of the eligible priority and general households shall be updated by the State Government in such manner as may be prescribed by the Central Government.
- Clause 18 This clause provides for reforms in the Targeted Public Distribution System. It provides that the Central Government and the State Government shall endeavour to progressively undertake necessary reforms in the Targated Public Distribution System in consonance with the role envisaged for them in the proposed legislation.
- Clause 19 This clause provides for women of eighteen years of age or above to be head of household for purpose of issue of ration cards. It provides that for the purpose of issue of ration card eldest woman in the household who is eighteen years of age or above shall be the head of the household.

It further provides that where a household at any time does not have a woman or a woman of eighteen years of age or above, but has a female member below the age of eighteen years, then, the eldest male member of the household shall be the head of the household for the purpose of issue of ration card and the female member, on attaining the age of eighteen years, shall become the head of the household for such ration cards in place of such male member.

Clause 20-This clause provides for internal grievances redressal mechanism. It provides that the Central Government and the State Governments shall put in place an internal grievance redressal mechanism which may include call centres, help lines, designation of nodal officers, or such other mechanism as may be prescribed.

Clause 21 - This clause provides for District Grievance Redressal Officer. It provides that for redressal of grievances in matters relating to delivery of entitlements under Chapters II, III and IV of the proposed legislation, a District Grievance Redressal Officer shall be appointed by the State Government for each District. It further provides that the qualification and powers of the District Grievance Redressal Officer shall be such as may be prescribed by the Central Government and the method and terms and conditions of appointment shall be such as may be prescribed by the State Government.

It further provides that the District Grievance Redressal Officer shall hear complaints regarding non-distribution of entitled foodgrains or meals, and matters relating thereto, and take necessary action for their redressal in such manner and within such time as may be prescribed by the Central Government and any complainant or the officer or authority against whom any order has been passed by such officer, who is not satisfied with the redressal of grievance may file an appeal against such order before the State Commission.

Clause 22 - This clause provides for State Food Commission. It provides that every State Government shall constitute a State Food Commission for the purpose of monitoring and review of implementation of the proposed legislation.

It further provides that the State Commission shall consist of a Chairperson; five other Members; and a Member Secretary out of whom there shall be at least two women, and there shall be one person belonging to the Scheduled Castes and one person belonging to the Scheduled Tribes, whether Chairperson, Member or Member Secretary.

It also provides that the Chairperson, other Members and Member Secretary shall be appointed from amongst persons—(a) who are or have been member of the All India Services or any other civil services of the Union or State or holding a civil post under the Union or State having

knowledge and experience in matters relating to food security, policy making and administration in the field of agriculture, civil supplies, nutrition, health or any allied field; (b) of eminence in public life with wide knowledge and experience in agriculture, law, human rights, social service, management, nutrition, health, food policy or public administration; or (c) who have a proven record of work relating to the improvement of the food and nutrition rights of the poor.

It also provides that the term of the Chairperson and every other Member shall be not exceeding five years from the date on which he enters upon his office and shall be eligible for reappointment and no person shall hold office as the Chairperson or other Member after he has attained the age of sixty-five years.

It also provides that the method of appointment and other terms and conditions of the Chairperson, other Members and Member Secretary of the State Commission and time, place and procedure of meetings of the State Commission (including the quorum at such meetings) and its powers, shall be such as may be prescribed by the State Government.

It also specifies the functions to be undertaken by the State Commission which, *inter-alia*, include to—monitor and evaluate the implementation of the proposed legislation, in relation to the State; either *suo motu* or on receipt of complaint inquire into violations of entitlements provided under Chapters II, III and IV; issue guidelines to the State Government in consonance with the guidelines of the National Commission in implementation of the proposed legislation; give advice to the State Government, their agencies, autonomous bodies as well as non-governmental organisations involved in delivery of relevant services, for the effective implementation of food and nutrition related schemes, to enable individuals to fully access their entitlements specified in the proposed legislation; hear appeals against orders of the District Grievance Redressal Officer; hear complaints transferred to it by the National Commission; and prepare annual reports which shall be laid before the State Legislature by the State Government.

It also provides that the State Government shall make available to the State Commission, such administrative and technical staff, as it may consider necessary for proper functioning of the State Commission. The method of appointment of staff, their salaries, allowances and conditions of service shall be such, as may be prescribed by the State Government.

It also makes provision for removal of the Chairperson and other Members of the State Commission and specifies the grounds, on which they may be removed. Clause 23 - This clause provides for salary and allowances of Chairperson, Members, Member Secretary and other staff of State Commission. It provides that the State Government shall provide for salary and allowances of the Chairperson, other Members, Member Secretary, support staff, and other administrative expenses required for proper functioning of the State Commission.

Clause 24 - This clause provides for joint State Food Commission. It provides that two or more States may have joint State Food Commission with the approval of the Central Government.

Clause 25 - This clause makes provision for application of certain provisions of National Food Commission to State Food Commission. It provides that the provisions of clause 27 (relating to powers relating to inquiries) shall apply to the State Food Commissions.

Clause 26 - This clause provides for the National Food Commission. It provides that Central Government shall constitute the National Food Commission to perform the functions assigned to it under the proposed legislation, with its headquarter in the National Capital Region. It further provides that the National Commission shall consist of a Chairperson; five other Members; and a Member Secretary provided that there shall be at least two women, one person belonging to the Scheduled Castes and one person belonging to the Scheduled Tribes whether Chairperson, Member or Member Secretary.

It also provides that the Chairperson, other Members and Member Secretary shall be appointed from amongst persons—(a) who are or have been a member of All India Services or Indian Legal Service or any other civil services of the Union or holding a civil post under the Union having knowledge and experience in matters relating to food security, policy making and administration in the field of agriculture, civil supplies, nutrition, health or any allied field; (b) of eminence in public life with wide knowledge and experience in agriculture, law, human rights, social service, management, nutrition, health, food policy or public administration; or (c) who have a proven record of work relating to the improvement of the food and nutrition rights of the poor. The term of office of the Chairperson and every other Member shall not exceed five years from the date on which he enters upon his office and shall be eligible for reappointment and no person shall hold office as the Chairperson or other Member after he has attained the age of sixty-five years.

It also provides that the method of appointment and other terms and conditions of the Chairperson, other Members and Member Secretary of the National Commission and time, place and procedure of meetings of the National Commission (including the quorum at such meetings) and its powers, shall be prescribed by the Central Government.

Italso specifies the functions to be undertaken by the National Commission which, *inter-alia*, include—monitor and evaluate the implementation of this Act and schemes made thereunder; either *suo motu* or on receipt of complaint inquire into violations of entitlements provided under Chapters II, III and IV; advise the Central Government in synergising existing schemes and framing new schemes for the entitlements provided under the proposed legislation; recommend to the Central Government and the State Governments, steps for the effective implementation of food and nutrition related schemes, to enable persons to fully access their entitlements specified in the proposed legislation; issue requisite guidelines for training, capacity building and performance management of all persons charged with the duty of implementation of the schemes; consider the reports and recommendations of the State Commissions for inclusion in its annual report; hear appeals against the orders of the State Commission; and prepare annual reports on implementation of this Act, which shall be laid before each House of Parliament by the Central Government.

It also provides that the Central Government shall make available to the National Commission such other administrative and technical staff, as it may consider necessary for proper functioning of the National Commission, the method of appointment to which and their salaries, allowances and conditions of service shall be prescribed by the Central Government.

It also makes provision for the removal of the Chairperson and other Members of the National Commission and time and specifies the ground on which they may be removed.

Clause 27 - This clause provides for powers of the National Commission relating to enquiries. It provides that the National Commission shall, while inquiring into any matter, have all the powers of a civil court trying a suit under the Code of Civil Procedure, 1908, and, in particular, in respect of the matters of summoning and enforcing the attendance of any person and examining him on oath; discovery and production of any document; receiving evidence on affidavits; requisitioning any public record or copy thereof from any court or office; and issuing commissions for the examination of witnesses or documents.

It further provides that the National Commission shall have the power to forward any case to a Magistrate having jurisdiction to try the same and the Magistrate to whom any such case is forwarded shall proceed to hear the complaint against the accused as if the case has been forwarded to him under section 346 of the Code of Criminal Procedure, 1973.

Clause 28 - This clause provides for salary and allowances of Chairperson, Member, Member Secretary and other staff of National Commission. It provides that the Central Government shall provide for salary and allowances of Chairperson, other Members, Member Secretary, support staff, and other administrative expenses required for proper functioning of the National Commission.

Clause 29 - This clause provides that vacancies in or any defect in the constitution of the State Commission or National Commission or any defect in the appointment of a person acting as a Member of the State Commission or National Commission or any irregularity in the procedure of the State Commission or National Commission shall not invalidate proceedings of the State Commission or National Commission.

Clause 30 - This clause lays down the responsibilities of the Central Government to allocate required quantity of foodgrains from central pool to State Governments. It provides that the Central Government shall, for ensuring the regular supply of foodgrains to persons belonging to priority households and general households, allocate from the central pool the required quantity of foodgrains to the State Governments under the Targeted Public Distribution System, as per the entitlements under clause 3 and at prices specified in Schedule I.

It further provides that the Central Government shall allocate foodgrains in accordance with the number of persons belonging to the priority households and general households identified in each State under clause 15 and the said allocation of foodgrains shall be revised annually, in the prescribed manner, based on the actual or estimated population.

It also provides that, the Central Government shall, procure foodgrains for the central pool through its own agencies and the State Governments and their agencies; allocate foodgrains to the States; provide for transportation of foodgrains, as per allocation, to the depots designated by the Central Government in each State; and create and maintain required modern and scientific storage facilities at various levels.

Clause 31 - This clause makes provisions for funds by Central Government to State Governments in certain cases. It provides that in case of short supply of foodgrains from the Central pool to a State, Central Government shall provide funds to the extent of short supply.

Clause 32 - This clause provides for implementation and monitoring of schemes for ensuring food security. It provides that the State Governments shall be responsible for implementation and monitoring of the schemes of various Ministries and Departments of the Central Government in accordance with the guidelines issued by the Central Government for each scheme, and

their own schemes, for ensuring food security to the targeted beneficiaries in their State.

It further provides that under the Targeted Public Distribution System, it shall be the duty of the State Governments to—(a) take delivery of foodgrains from the designated depots of the Central Government in the State, at the prices specified in Schedule I, organise intra-State allocations for delivery of the allocated foodgrains through their authorised agencies at the door-step of each fair price shop; and (b) ensure actual delivery or supply of the foodgrains to the entitled persons at the prices specified in Schedule I.

It also provides that for foodgrain requirements in respect of entitlements under clauses 4, 5, 6, 8, 9 and clause 11, it shall be the responsibility of the State Government to take delivery of foodgrains from the designated depots of the Central Government in the State, at the prices specified in Schedule I for persons belonging to priority households and ensure actual delivery of entitled benefits, as specified in the clauses aforesaid.

It also provides that the State Governments shall prepare and notify guidelines for prevention, identification and relief to cases of starvation as referred to in clause 12 and in case of non-supply of the entitled quantities of foodgrains or meals to entitled persons under Chapters II, III and IV, the State Government shall be responsible for payment of food security allowance specified in clause 13.

It also provides that for efficient operations of the Targeted Public Distribution System, every State Government shall,—(a) create and maintain scientific storage facilities at the State, District and Block levels, being sufficient to accommodate foodgrains required under the Targeted Public Distribution System and other food based welfare schemes; (b) suitably strengthen capacities of their Food and Civil Supplies Corporations and other designated agencies; and (c) establish institutionalised licensing arrangements for fair price shops in accordance with the relevant provisions of the Public Distribution System (Control) Order, 2001 as amended from time to time.

Clause 33 - This clause provides for implementation of Targeted Public Distribution System. It provides that the local authorities shall be responsible for proper implementation of the proposed legislation in their respective areas and the State Governments may assign additional responsibilities to local authorities in implementation of Targeted Public Distribution System.

Clause 34 - This clause provides for obligations of local authority. It provides that in implementing different schemes of the Ministries and Departments of the Central Government and the State Governments, the local authority shall be responsible for discharging such duties and

responsibilities as may be assigned to them by notification, by the respective State Governments.

- Clause 35 This clause makes provision for disclosure of records of Targeted Public Distribution System. It provides that all Targeted Public Distribution System related records shall be placed in the public domain and kept open for inspection to the public.
- Clause 36 This clause provides for conduct of social audit. It provides that social audit on the functioning of fair price shops, Targeted Public Distribution System and other welfare schemes, shall be conducted by local authority, or any other authority or body, as may be authorised by the State Governments. It further provides that the Central Government may, if it considers necessary, also conduct or cause to be conducted social audit through independent agencies.
- Clause 37 This clause provides for setting up of vigilance Committees by the State Government at various levels for ensuring transparency and proper functioning of the Targeted Public Distribution System and accountability of functionaries in such system. It also specifies the functions of Vigilance Committees.
- Clause 38 This clause provides that the Central Government and the State Governments shall, while implementing the provisions of this Bill and the schemes for meeting specified entitlements, give special focus to the needs of the vulnerable groups especially in remote areas and other areas which are difficult to access, hilly and tribal areas for ensuring their food security.
- Clause 39 This clause provides for steps to further advance food and nutritional security. It provides that for the purpose of advancing food and nutritional security, the Central and State Governments shall strive to progressively realise certain objectives mentioned in Schedule III.
- Clause 40 This clause provides for other welfare schemes. It provides that provisions of the proposed legislation shall not preclude Central or State Governments from continuing or formulating other food based schemes.
- Clause 41 This clause relates to penalty. It provides that any public servant or authority found guilty, by the State Commission or the National Commission at the time of deciding any complaint or appeal, of failing to provide the relief recommended by the District Grievance Redressal Officer, without reasonable cause, or wilfully ignoring such recommendation, shall be liable to penalty not exceeding five thousand rupees.

It further provides that the public servant or the public authority, as the case may be, shall be given a reasonable opportunity of being heard before any penalty is imposed.

Clause 42 - This clause provides for power to adjudicate. It provides that for the purpose of adjudging under clause 41, the State Commission or the National Commission, as the case may be, shall authorise any of its member to be an adjudicating officer for holding an inquiry in the prescribed manner after giving any person concerned a reasonable opportunity of being heard for the purpose of imposing any penalty.

It further provides that while holding an inquiry, the adjudicating officer shall have power to summon and enforce the attendance of any person acquainted with the facts and circumstances of the case to give evidence or to produce any document which in the opinion of the adjudicating officer, may be useful for or relevant to the subject matter of the inquiry and if, on such inquiry, he is satisfied that the person has failed to provide the relief recommended by the District Grievance Redressal Officer, without reasonable cause, or wilfully ignoring such recommendation, he may impose such penalty as he thinks fit in accordance with the provisions of clause 41.

- Clause 43 This clause provides for power to delegate by Central Government and State Governments. It empowers the Central Government to delegate its power (except the power to make rules) to the State Governments or an officer subordinate to the Central Government or State Governments. It also empowers the State Governments to delegate its power (except power to make rules) to an officer subordinate to it.
- Clause 44 This clause gives overriding effect to provisions of the proposed legislation or the schemes made thereunder notwithstanding anything inconsistent contained in any other law.
- Clause 45 This clause seeks to empower the Central Government to amend Schedule I or Schedule II or Schedule III if that Government is satisfied that it is necessary or expedient so to do.
- Clause 46 This clause seeks to empower the Central Government to give directions to State Governments for effective implementation of the provisions of the proposed legislation.
- Clause 47 This clause empowers the Central Government to make rules to carry out the provisions of the proposed legislation. It provides that the Central Government may, by notification, and subject to the condition of previous publication, make rules to carry out the provisions of the proposed legislation. It further specifies the matters in respect of which such rules may be made. It also provides that rules made by the Central Government shall be laid before each House of Parliament as soon as they are made.
- Clause 48 This clause empowers State Governments to make rules to carry out the provisions of the proposed legislation. It provides that the State

Government may, by notification, and subject to the condition of previous publication, and consistent with this Act and the rules made by the Central Government, make rules to carry out the provisions of the proposed legislation. It further specifies the matters in respect of which such rules may be made. It also provides that rules, notifications and guidelines issued by the State Government shall be laid before the Legislature of the State as soon as they are made.

- Clause 49 This clause provides for transitory provisions for schemes, guidelines, etc. It provides that the schemes, guidelines, orders and food standards existing on the date of commencement of the proposed legislation shall continue to be in force till these are specified under the proposed legislation or rules made thereunder.
- Clause 50 This clause provides for power to remove difficulties. It provides that if any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order, published in the Official Gazette, make such provisions, not inconsistent with the provisions of this Act, as appear to it to be necessary or expedient for removing the difficulty. It further provides that no order shall be made under this section after the expiry of two years from the date of commencement of this Act.
- Clause 51 This clause provides for utilisation of institutional mechanism for other purposes. It provides that the services of authorities to be appointed or constituted under clauses 21, 22 and clause 26 may be utilised in the implementation of other schemes or programmes of the Central Government or the State Governments, as may be prescribed by the Central Government.
- Clause 52 This clause provides for Force Majeure. It provides that the Central Government, or as the case may be the State Governments, shall not be liable for any claim by persons belonging to the priority households or general households or other groups entitled under this Act for loss, damage, or compensation; whatsoever, arising out of failure of supply of foodgrains or meals when such failure of supply is due, either directly or indirectly, to Force Majeure conditions, such as, war, flood, drought, fire, cyclone, earthquake or any act of God.
- Schedule I. This Schedule specifies the subsidised prices at which foodgrains will be provided to priority and general households under Targeted Public Distribution System.
- Schedule II. This Schedule specifies the nutritional standards for meals to be provided under the proposed legislation to children and pregnant women and lactating mothers.
- Schedule III. This Schedule lists the objectives to be progressively realised by the Central Government, State Governments and local authorities for advancing food security.

### FINANCIAL MEMORANDUM

Item (iii) of sub-clause 2 of clause 2 provides that, the "central pool" shall consist of foodgrains kept as reserves for the schemes to be implemented for providing food security. At the rate of buffer carrying cost for 2011-12 and current buffer norms, the annual estimated carrying cost of a stock of five million tons of foodgrains will be about Rupees two thousand and sixty one crore, which will be borne by Central Government as recurring expenditure. This requirement may not cause any additional financial obligation as buffer stocks are already being maintained by the GOI for its ongoing Targeted Public Distribution System.

- 2. Sub-clause (1) of clause 3 provides that every person belonging to priority households and general households, shall be entitled to receive every month from the State Government, under the Targeted Public Distribution System, seven kilograms of foodgrains per person per month for priority households and not less than three kilograms of foodgrains per person per month for general households, at subsidised prices specified in Schedule I. Sub-clause (2) thereof provides that the entitlements at subsidised prices shall extend upto seventy five per cent. of the rural population and upto fifty per cent of the urban population, provided, not less than forty-six per cent of the rural and twenty-eight per cent. of the urban population shall be designated as priority households. The difference between the economic cost of the foodgrains and the prices specified in Schedule I, in respect of the proposed coverage and entitlement will be borne by the Central Government as food subsidy. At the above proposed coverage and entitlement, the economic cost for the year 2011-12 and the prices of foodgrains specified in Schedule I, the total annual expenditure on food subsidy under TPDS is estimated at about Rupees seventy nine thousand eight hundred crore. The estimate of food subsidy is however dependent, among other things, upon economic cost, central issue price of foodgrains, number of beneficiaries covered and quantities of foodgrains allocated and lifted, and therefore subject to change with changes in any or all of the variable affecting food subsidy.
- 3. Sub-clause (a) of clause 4, clauses 5 and 6 provide for nutritional support to pregnant and lactating women and children below the age of fourteen. These benefits are currently being delivered through the Integrated Child Development Services and Mid Day Meal schemes, and these will continue to be implemented as per prescribed norms, including norms for cost sharing between the Central and the State Governments.
- 4. Sub-clause (b) of clause 4 provides that every pregnant woman and lactating mother shall be entitled to maternity benefit of rupees one thousand per month for a period of six months in accordance with a scheme, including

cost sharing, as may be prescribed by the Central Government. Assuming a coverage of about 2.25 crore pregnant and lactating women, the expenditure for Central Government and States together would be around Rupees thirteen thousand five hundred crores. The actual annual expenditure will depend on the number of identified entitled beneficiaries and those actually availing the benefit. The expenditure will be shared between the Central and State Governments in accordance with a scheme to be prescribed by the Central Government.

- 5. Clause 8, 9 and clause 11 provide for supply of meals, free of cost or at affordable prices to destitute and homeless persons, emergency and disaster affected persons, and persons living in starvation. Expenditure to be incurred on supply of meals to these groups will be of a recurring nature and will depend upon number of persons identified, and will be shared between the Central and the State Governments, in accordance with schemes to be prescribed by the Central Government.
- 6. Clause 10 provides that the State Governments shall identify persons, households, groups, or communities, living in starvation or conditions akin to starvation, for which the expenditure shall be borne by State Governments.
- 7. Clause 13 provides that in case of non-supply of the entitled quantities of foodgrains or meal to entitled persons under Chapters II, III and IV of the proposed legislation, such persons shall be entitled to receive food security allowance from the concerned State Government, which shall be responsible for making payment of such food security allowance within such time and manner as may be prescribed by the Central Government. The State Government shall bear all expenses on food security allowance, which will be of a recurring nature.
- 8. Clause 15 provides that identification of priority households and general households shall be done by the State Governments or such other agency as may be decided by the Central Government, in accordance with the guidelines for identification prescribed by the Central Government. Cost of survey for identification of households will be borne by the Central Government and the State Governments in accordance with the guidelines referred to above.
- 9. Clause 16 provides that the list of the identified priority households and general households shall be placed by the State Governments in the public domain and displayed prominently, for which expenditure will be borne by State Government.
- 10. Sub-clause (1) of clause 18 provides that the Central and the State Governments shall endeavour to progressively undertake reforms in Targeted Public Distribution System.

- 11. Clause 20 provides that the Central Government and the State Governments shall put in place an internal grievance redressal mechanism which may include call centres, help lines, designation of nodal officers, or such other mechanism as may be prescribed by the respective Governments. Cost of setting up internal grievance redressal mechanism will be borne by respective Governments.
- 12. Clause 21 provides that for expeditious and effective redressal of grievances of the aggrieved persons in matters relating to distribution of entitled foodgrains or meals under Chapters II, III, and IV of the proposed legislation, a District Grievance Redressal Officer, with requisite staff, shall be appointed by the State Government for each District, to enforce these entitlements and investigate and redress grievances. The expenditure towards salary and allowances of District Grievance Redressal Officer and other staff, and such other expenditure as may be considered necessary for their proper functioning, which will be of recurring nature will be borne by State Governments.
- 13. Clause 22 provides that every State Government shall constitute a State Food Commission for the purpose of monitoring and review of implementation of the proposed legislation. Clause 23 provides that the State Government shall provide for salary and allowances of Chairperson, other Members, Member Secretary, support staff, and other administrative expenses required for proper functioning of the State Commission. Expenditure on State Food Commission will differ from State to State and will be of recurring nature.
- 14. Sub-clause (1) of clause 26 provides that the Central Government shall constitute a body known as the National Food Commission to perform the functions assigned to it under the proposed legislation. Clause 28 provides that the Central Government shall provide for the salary and allowances of Chairperson, other Members and Member Secretary and support staff and other administrative expenses, required for proper functioning of the National Commission. The annual expenditure for this would be known after constitution of the Commission and will be of recurring nature.
- 15. Sub-clause (4) of clause 30 provides that the Central Government shall provide foodgrains in respect of entitlements under clauses 4, 5, 6, 8, 9 and 11, to the State Governments, at prices specified for the persons belonging to priority households in Schedule I. The difference between the economic cost of foodgrains and the prices specified in Scheduled I, in respect of above schemes will be borne by the Central Government as food subsidy and will be of recurring nature. The estimated expenditure is however dependent upon economic cost, central issue price of foodgrains, number of beneficiaries covered and quantities of foodgrains allocated and lifted, and therefore subject to change with changes in any or all of the variables.

- 16. Item (d) of sub-clause (5) of clause 30 provides that the Central Government shall create and maintain required modern and scientific storage facilities at various level, the expenditure on which will be of a non-recurring nature and be borne by the Central Government.
- 17. Clause 31 provides that in case of short supply of foodgrains from the central pool to a State, the Central Government shall provide funds to the extent of short supply to the State Government for meeting obligations under Chapters II, III and IV in such manner as may be prescribed by the Central Government.
- 18. Sub-clause (2) of clause 32 provides that under the Targeted Public Distribution System, it shall be the duty of the State Government to take delivery of foodgrains from the designated depots of the Central Government in the State, at the prices specified in the Schedule I; organise intra-State allocations for delivery of the allocated foodgrains through their authorised agencies at the door-step of each fair price shop; and ensure actual delivery or supply of the foodgrains to the entitled persons at the prices specified in Schedule I. The cost of storage, transport and handling of foodgrains till it is finally delivered to the beneficiary will be borne by the State Governments.
- 19. Item (a) of sub-clause (6) of clause 32 provides that the State Government shall create and maintain scientific storage facilities at the State, District, and Block levels, being sufficient to accommodate foodgrains required under the Targeted Public Distribution System and other food based welfare schemes. Expenditure on creation and maintenance of storage facilities will be of a non-recurring nature and will be borne by State Governments.
- 20. Sub-clause (2) of clause 33 and clause 34 provide that State Governments may, by notification, assign additional responsibilities to local authorities in implementing Targeted Public Distribution System or other schemes of Central or State Government prepared to implement provisions of the proposed legislation. Expenditure on strengthening of local authorities, required if any, will be borne by the State Governments.
- 21. Sub-clause (1) of clause 36 provides that every local authority, or any other authority or body, as may be authorised by the State Government, shall conduct or cause to be conducted, periodic social audits on the functioning of fair price shops, Targeted Public Distribution System and other welfare schemes, and cause to publicise its findings and take necessary action, in such manner as may be prescribed by the State Government. Expenditure on such social audits will be borne by the State Governments. Sub-clause (2) thereof provides that the Central Government may, if it considers necessary, conduct or cause to be conducted social audit through independent agencies having

experience in conduct of such audits, expenditure for which will be borne by the Central Government.

- 22. Clause 37 provides for setting up of Vigilance Committees at various levels by the State Government for ensuring transparency and proper function of the Targeted Public Distribution System. Expenditure on Vigilance Committees will be borne by State Governments and will be of a recurring nature.
- 23. Clause 39 provides that the Central Government, the State Governments and local authorities shall, for the purpose of advancing food and nutritional security, strive to progressively realise the objectives specified in Schedule III. Necessary efforts for realising these objectives will be required to be taken by both the Central and the State Governments in their respective areas and they will also be expected to bear the corresponding expenditure.
- 24. Clause 40 provides that the provisions of the proposed legislation shall not preclude the Central Government or the State Governments from continuing or formulating other food based welfare scheme. Expenditure for such schemes will be borne by respective Governments, in accordance with provisions of schemes.
- 25. The Central Government will bear the expenditure in relation to implementation of the proposed legislation in so far as the Union territories are concerned.
- 26. Apart from the estimates given above, the expenditure which will be involved in implementing the proposed legislation will also include expenditure to be met out of budgets of other Ministries or Departments in order to operationalise the provisions of the proposed legislation, besides strengthening of the organisational structure for proper implementation. It is not practicable to make an estimate of such recurring and non-recurring expenditure at this stage.

### MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 47 of the Bill empowers the Central Government to make, by notification in the Official Gazette, and subject to the condition of previous publication, rules for carrying out the provisions of the proposed legislation. Sub-clause (2) specifies the matters in respect of which such rules may be made. These matters, inter alia, include (a) reforms in the Public Distribution System and the date from which entitlement of general population will be linked to such reforms under sub-clause (3) of clause 3; (b) guidelines for providing wheat flour in lieu of entitled quantity of foodgrains under sub-clause (4) of clause 3; (c) scheme including cost sharing for providing maternity benefit to pregnant women and lactating mothers under sub-clause (b) of clause 4; (d) schemes covering entitlements under clause 4, 5 and 6 including cost sharing under clause 7; (e) scheme including cost sharing for destitute and homeless persons under clause 8; (f) scheme including cost sharing for emergency and disaster affected persons under clause 9; (g) scheme including cost sharing for persons living in starvation under sub-clause (a) of clause 11; (h) the amount, time and manner of payment of food security allowance to entitled persons under clause 13; (i) guidelines for identification of priority and general households, including exclusion criteria for the purpose of their entitlement under sub-clause (1) of clause 15; (j) manner in which the list of priority and general households shall be updated under clause 17; (k) internal grievance redressal mechanism under clause 20; (1) qualifications for appointment as District Grievance Redressal Officer and its powers under sub-clause (2) of clause 21; (m) manner and time limit for hearing complaints by the District Grievance Redressal Officer and the filing of appeals under sub-clause (5) and (7) of clause 21; (n) method of appointment and the terms and conditions of appointment of Chairperson, other Members and Member Secretary of the National Commission, its powers, and procedure of meetings of the Commission, under sub-clause (6) of clause 26; (o) method of appointment of staff of the National Commission, their salary, allowances and conditions of service under sub-clause (9) of clause 26; (p) the manner in which funds shall be provided by the Central Government to the State Governments in case of short supply of foodgrains, under clause 31; (q) schemes or programmes of the Central government or the State Governments for utilisation of institutional mechanism under clause 51; (r) any other matter which is to be, or may be, prescribed or in respect of which provision is to be made by the Central Government by rules.

- 2. The rules made by the Central Government are required to be laid, as soon as they are made, before each House of Parliament.
- 3. Clause 48 of the Bill empowers the State Government to make, by notification in the Official Gazette, and subject to the condition of previous publication and consistent with this Act and the rules made by the Central Government, rules for carrying out the provisions of the proposed legislation. Sub clause (2) specifies the matters in respect of which such rules may be made. These matters, inter-alia, include: (a) internal grievance redressal mechanism under clause 20; (b) method and terms and conditions of appointment of the District Grievance Redressal Officer under sub-clause (3) of clause 21; (c) method of appointment and the terms and conditions of appointment of Chairperson, other Members and Member Secretary of the State Commission, procedure for meetings of the Commission and its powers, under sub-clause (5) of clause 22; appointment of staff of the State Commission, (d) method of their salaries, allowances and conditions of service under sub-clause (8) of clause 22; (e) manner in which the Targeted Public Distribution System related records shall be placed in the public domain and kept open for inspection to public under clause 35; (f) manner in which the social audit on the functioning of fair price shops, Targeted Public Distribution System and other welfare schemes shall be conducted under clause 36; (g) details of constitution of vigilance committees under sub-clause (1) of clause 37; (h) any other matter which is to be, or may be, prescribed or in respect of which provision is to be made by the State Government by rules.
- 4. The rules made by the State Government are required to be laid, as soon as may be after it is made, before the State Legislature.
- 5. The matters in respect of which rules may be made are generally matters of procedure and administrative details and it is not practicable to provide for them in the Bill itself. The delegation of legislative powers is, therefore, of a normal character.

| LOK | SABHA |
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Α

### BILL

to provide for food and nutritional security, in human life cycle approach, by ensuring access to adequate quantity of quality food at affordable prices, to people to live a life with dignity and for matters connected therewith or incidental thereto.

(Shri K.V. Thomas, Minister for Consumer Affairs, Food and Public Distribution.)

# REPORT OF THE STANDING COMMITTEE ON FOOD, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (2012-13) on

'THE NATIONAL FOOD SECURITY BILL, 2011'

(Presented to the Lok Sabha on 26<sup>th</sup> February, 2013)

### TWENTY SEVENTH REPORT

### STANDING COMMITTEE ON FOOD, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (2012-13)

(FIFTEENTH LOK SABHA)

# MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (DEPARTMENT OF FOOD AND PUBLIC DISTRIBUTION)

### THE NATIONAL FOOD SECURITY BILL, 2011

Presented to the Hon'ble Speaker on 17.01.2013

Presented to Lok Sabha on 26.02.2013 Laid in Rajya Sabha on 26.02.2013



### LOK SABHA SECRETARIAT NEW DELHI

JANUARY, 2013/ PAUSA, 1934(Saka)

# COMPOSITION OF THE STANDING COMMITTEE ON FOOD, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (2012-2013)

### Shri Vilas Muttemwar - Chairman

### MEMBERS

### LOK SABHA

- 2. Shrimati Harsimrat Kaur Badal
- 3. Shri Shivraj Bhaiya
- 4. Shri Kantilal Bhuria
- 5. Shri Arvind Kumar Chaudhary
- 6. Shri Harishchandra Chavan
- 7. Shri Sanjay Dhotre
- 8. Shri Eknath M. Gaikwad
- 9. Shri Abdul Mannan Hossain
- 10. Shri Prataprao Ganpatrao Jadhav
- 11. Shri Sohan Potai
- 12. Shri Ponnam Prabhakar
- 13. Shri C. Rajendran
- 14. Shri Purnmasi Ram
- 15. Shri Chandulal Sahu (Chandu Bhaiya)
- 16. Shri Adhi Sankar
- 17. Shri N. Chaluvaraya Swamy
- 18. Shri Jagdish Thakor
- 19. Shri Laxman Tudu
- 20. Vacant
- 21. Vacant

### Raiya Sabha

- 22. Dr. Bhushan Lal Jangde
- 23. Shri Lalhming Liana
- 24. Dr. Bharatkumar Raut
- 25. Ms. Rekha
- 26. Dr. N. Janardhana Reddy
- 27. Dr. T.N. Seema
- 28. Shri Birender Singh
- 29. Shri Veer Singh
- 30. Shri Kaptan Singh Solanki
- 31. Vacant

### Secretariat

- 1. Shri P. K. Misra Joint Secretary
- 2. Shrimati Veena Sharma Director
- 3. Shri Khakhai Zou Under Secretary

### INTRODUCTION

I, the Chairman of the Standing Committee on Food, Consumer Affairs and Public Distribution (2012-13) having been authorized by the Committee to present the Report on their behalf present this Twenty Seventh Report (15th Lok Sabha) on 'The National Food Security Bill, 2011' relating to the Ministry of Consumer Affairs, Food and Public Distribution (Department of Food and Public Distribution).

- 2. The National Food Security Bill, 2011 as introduced in Lok Sabha on 22nd December, 2011 was referred by the Hon'ble Speaker, Lok Sabha under Rule 331 (E) (1) (b) of the Rules of Procedure and Conduct of Business in Lok Sabha on 5th January, 2012 to the Standing Committee for examination and report.
- 3. Considering the wide ramifications of the Bill, the Committee at their sitting held on 23rd January, 2012, *inter alia*, decided to invite views/suggestions of the general public and various stakeholders and also to take evidence of selected Central Ministries/Organizations/Individuals etc. besides the nodal Ministry *i.e.* the Ministry of Consumer Affairs, Food and Public Distribution (Department of Food and Public Distribution) on the various provisions of the Bill.
- 4. In pursuance of the Committee's decision, besides seeking comments of selected Central Ministries and All State Governments/ UT Administrations in the form of replies to a List of Points, a Press Release was issued through the Print and Electronic Media on 31st January, 2012 inviting the views/suggestions from the General Public/Organizations/Institutions/Experts etc. Replies were received from some Central Ministries and States Governments/UTs Administrations. The Committee also received about 1.5 lakh letters from individuals and several memoranda containing the views/suggestions of Organizations/Institutions etc. Based on the response from various stakeholders, the Committee took evidence of the selected Central Ministries/Organizations/Individuals including the Nodal Department *i.e.* the Department of Food and Public Distribution besides having interactions with several State Governments, as indicated in Appendix-I.\*

<sup>\*</sup>The Appendix of the Report related to the National Food Security Bill, 2011 is given in Annexure-I of the Compendium. For other appendices of the Report related to details and minutes of the committee sittings, see the complete Committee Report at 164.100.47.134/ Isscommittee/Food, Consumer Affairs & Public Distribution/15\_Food, Consumer Affairs and Public Distribution\_27.pdf.

- 5. The Committee at their sittings held on 11th January, 2013 considered and adopted the Draft Report.
- 6. The Committee wish to express their thanks to the representatives of the Ministry of Consumer Affairs, Food and Public Distribution (Department of Food and Public Distribution) who tendered their evidence before the Committee and attended various sittings of the Committee when the representatives of other Central Ministries appeared before the Committee and gave their considered views. The Committee also wish to express their thanks to the representatives of various Central Ministries/State Governments and other organizations/individuals who furnished written information/views as well as those who appeared before the Committee and made available necessary information for consideration of the Committee, which was of great help to the Committee in arriving at conclusions.
- 7. The Committee were immensely benefited by the suggestions/contribution made by the Members of the Committee for which I express my sincere thanks to them.
- 8. The Committee would also like to place on record their deep sense of appreciation of the invaluable assistance rendered to them by the officials of Lok Sabha Secretariat attached to the Committee.
- 9. For the facility of reference and convenience, the observations/ recommendations of the Committee have been printed in bold in the body of the Report.

New Delhi; 11 January, 2013 21 Pansa, 1934 (Saka) VILAS MUTTEMWAR
Chairman,
Standing Committee on Food,
Consumer Affairs and Public Distribution.

### CHAPTER - I

### INTRODUCTORY

### A. BACKGROUND

Article 21 of the Constitution of India provides the right to life to all the citizens of India including the Right to Food. Further, Article 47 of the Constitution, *inter-alia*, provides that the State shall regard raising the level of nutrition and the standard of living of its people and the improvement of public health as among its primary duties. The Universal Declaration of Human Rights and International Convenant on Economic, Social and Cultural Rights, to which India is a signatory, also cast responsibilities on all State parties to recognize the right of everyone to adequate food. Eradicating extreme poverty and hunger is one of the goals under the Millennium Development Goals of the United Nations.

- 1.2 In pursuance of the constitutional obligations and obligations under the international conventions, providing food security has been focus of the Government's planning and policy. Food security means availability of sufficient foodgrains to meet the domestic demand as well as access, at the individual level, to adequate quantities of food at affordable prices. Attainment of self-sufficiency in foodgrains production at the national level has been one of the major achievements of the country. In order to address the issue of food security at the household level, the Government is implementing Targeted Public Distribution System under which subsidized foodgrains is provided to the Below Poverty Line, including Antyodaya Anna Yojana, and above poverty line households. While the Below Poverty Line households under the Targeted Public Distribution System receive thirty-five kilograms foodgrains per family per month, the allocation to Above Poverty Line households depends upon availability of foodgrains in the Central pool. Allocations for other food based welfare schemes for women and children, natural disasters, etc., are also being made at subsidized rates.
- 1.3 Ensuring food security of the people, however, continues to be a challenge. The nutritional status of the population, and especially of women and children, also needs to be improved to enhance the quality of human resource of the country.
- 1.4 In view of the facts stated above, the then President of India in her address to the Members of both the Houses of Parliament assembled together on 4th June, 2009, *inter-alia*, announced that a new Act the National Food Security Act will be enacted to provide a statutory basis for a framework

which assures food security for all and entitle by law, every BPL family to 25 kg. per month of rice or wheat @ Rs. 3/kg. In pursuance to this, the National Food Security Bill, 2011 was introduced in the Lok Sabha on 22nd December, 2011 and the Hon'ble Speaker referred the Bill on 5th January, 2012 to the Standing Committee on Food, Consumer Affairs and Public Distribution for examination and report in terms of the Rule 331(E) of the Rules of Procedure and Conduct of Business in Lok Sabha.

1.5 The proposed legislation marks a paradigm shift in addressing the problem of food security – from the current welfare approach to a right based approach. About two thirds of the population will be entitled to receive subsidized foodgrains under Targeted Public Distribution System. It will also confer legal rights on women and children and other Special Groups such as destitute, homeless, disaster and emergency affected persons and persons living in starvation, to receive meal free of charge or at affordable price, as the case may be.

### B. SALIENT FEATURES OF THE BILL

- 1.6 The salient features of the National Food Security Bill, 2011 are as under:
  - a. **Objective:** To provide for food and nutritional security in human life cycle approach, by ensuring access to adequate quantity of quality food at affordable prices to people to live a life with dignity.
  - b. Coverage under the Targeted Public Distribution System (TPDS): Upto 75% of the rural population (with at least 46% belonging to the priority households) and upto 50% of the urban population (with at least 28% belonging to the priority households) are proposed to be covered under TPDS. Corresponding to the above all India coverage, State-wise distribution will be determined by the Central Government.
  - c. Identification of Households: Identification of priority and general households is to be done by the State Governments or such other agency, in accordance with guidelines for identification prescribed by the Central Government, provided that no household falling under exclusion criteria will be included either in the priority or general households.
  - d. **Entitlements and Prices under TPDS:** Priority households will be entitled to 7 kg. of foodgrains per person per month at prices not exceeding Rs. 3, Rs. 2 and Re.1 per kg. for rice, wheat, coarse grains, respectively and general households will be entitled to not

- less than 3 kg. of foodgrains per person at prices not exceeding 50% of the Minimum Support Price (MSP) for wheat and coarse grains and not exceeding 50% of derived MSP for rice.
- e. Entitlements for women and children: There is a special focus in the Bill on nutritional support to women and children. Pregnant women and lactating mothers, besides being entitled to nutritious meals as per the prescribed nutritional norms, will also receive maternity benefit @ Rs. 1000/- per months for six months. Children in the age group of 6 months to 6 years will be entitled to take home ration or hot cooked meal as per the prescribed nutritional standards. Higher nutritional norms have been prescribed for children in the age group of 6 months to 6 years who are malnourished. Children in the lower and upper primary classes will be entitled to mid day meals as per the prescribed nutritional norms.
- f. Other entitlements: National Food Security Bill (NFSB) contains provisions for meals, free of charge or at affordable prices, as the case may be, to special groups such as destitutes and homeless, as well as emergency and disaster affected persons and persons living in starvation. The Bill also provides that every State Government shall prepare and notify guidelines for prevention, identification and relief to cases of starvation. Foodgrains for these schemes, as well as schemes for women and children, will be provided by Central Govt. at prices specified for priority households in Schedule I of the Bill. Meals will be provided in accordance with schemes, including cost sharing, to be prescribed by the Central Govt.
- g. **Food Security Allowance:** The Central Government will provide funds to States/UTs in case of short supply of foodgrains from Central pool. In case of non-supply of foodgrains or meals to entitled persons, the concerned State/UT Governments will be required to provide such food security allowance as may be prescribed by the Central Government.
- h. **Reforms in TPDS:** Central and State Governments should endeavour to progressively undertake reforms in TPDS, such as doorstep delivery of foodgrains, application of information and communication technology (ICT) including end to end computerisation, leveraging 'aadhaar' for unique identification of beneficiaries, diversification of commodities under TPDS, etc.

- i. Women Empowerment: The eldest woman of eighteen years of age or above will be head of the household for issue of ration card, and if not available, the eldest male member is to be the head of the household.
- j. Grievance Redressal Mechanism: An independent three-tier mechanism- District Grievance Redressal Officer (DGRO), State Food Commission and National Food Commission- has been proposed to redress grievances relating to delivery of entitlements and related issues. Besides, Central and State Governments will also be required to put in place an internal grievance redressal mechanism.
- k. Role of Local Authorities: The Bill provides for role of local authorities (Panchayats, municipalities, etc.) in proper implementation of the Act in their respective areas. State Governments may also assign additional responsibilities to local authorities in implementation of TPDS or other schemes of Central and State Governments.
- Transparency and Accountability: Provisions have also been made for disclosure of records relating to PDS, social audits and setting up of Vigilance Committees in order to ensure transparency and accountability.
- m. Special focus on vulnerable groups in remote, hilly and tribal areas: The Bill provides that while implementing provisions of the Act and scheme thereunder, special focus shall be given to the needs of vulnerable groups especially in remote areas, other areas which are difficult to access, hilly and tribal areas, for ensuring their food security.
- n. **Enabling Provisions:** Provisions for revitalising agriculture, broadbasing procurement, encouraging decentralised procurement, augmentation of storage capacity, etc. have been made for advancing food security. The Bill also contains provisions for access to safe and adequate drinking water and sanitation, health care, nutritional, health and educational support to adolescent girls and adequate pension for senior citizens, persons with disability and single women. Introduction of schemes for cash transfer, food coupons, among others, in areas and in the manner to be prescribed by the Central Government have also been included.
- o. **Penalty:** The Bill provides for penalty to be imposed on public servants or authority, by the State and National Food Commission

if found guilty of failing to comply with the relief recommended by the DGRO.

# C. FOODGRAINS REQUIREMENT, PRODUCTION AND PROCUREMENT:

1.7 Excluding the requirements for Buffer and Open Market Sales Scheme (OMSS), total requirement of foodgrains, as per the Bill would be 61.55 million tons in 2012-13. The highest level of procurement of wheat and rice achieved in any year upto 2009-10 has been 59.5 million tons in 2008-09. In the year 2010-11, however, the procurement reached a record level of 62.53 million tons which is 34.2% of the production. Though the Long term trend in procurement has been lower, the average annual procurement as percentage of production during last four years has been above 30%. The average annual procurement of wheat and rice during the 11 year period of 2000-01 to 2010-11 has been 45.05 million tons, *i.e.* 27.4% of the average annual production. While the average annual procurement during 2000-01 to 2006-07 was 38.22 million tons *i.e.* 24.3% of the average production, it increased to 56.99 million tons during 2007-08 to 2010-11 *i.e.* 32.2% of the production.

## D. ADDITIONAL FINANCIAL IMPLICATION OF NATIONAL FOOD SECURITY BILL

### (I) Central Government

### 1.8 Implication on Food Subsidy

- (i) The Department of Food and Public Distribution has informed the Committee that at present, the Department is making allocations of foodgrains based on the figures of population for the year 2000, taking household size as 5.5 and using 1993-94 poverty estimates. The allocations under the existing TPDS are being made by the Central Government to States/UTs on the accepted number of 6.52 crore BPL households (including 2.43 crore AAY households) based on 1993-94 poverty ratio applied on the population estimate for the year 2000 and 11.5 crore APL households. Accordingly, the quantum of food subsidy estimated for 2010-11 was Rs. 65,045 crores which is likely to increase to Rs. 77,637 crores during 2011-12 and further to Rs. 88,977 crores during 2012-13 (without taking into account carrying cost of stocks held in Central Pool, but not issued).
- (ii) The population figures for Census 2011 are now available. Using the population figures of 2011 census, household size of 5.3 (as per 2001 census) and poverty estimates of 1993-94, the quantum

- of subsidy for 2011-12 works out to be Rs. 95,787 crores which is likely to increase to Rs. 1,09,796 crores for the year 2012-13.
- (iii) As per the provisions of the National Food Security Bill (NFSB) the food subsidy for 2011-12 would have been Rs. 98,842 crores and will increase during 2012-13 to Rs. 1,12,205 crores. In this computation of food subsidy, the household size does not matter because the entitlement as per the NFSB is on individual basis and not based on family size. The percentage of population to be covered is also indicated in the NFSB and is independent of any poverty estimates to be indicated by the Planning Commission.
- (iv) As is clear from the aforesaid, there will be a marginal increase in the overall food subsidy bill because of the operationalization of the provisions of NFSB.

The additionality during 2012-13 works out to be Rs. 1,12,205 - Rs. 1,09,796 = Rs. 2409 crores.

### 1.9 Other Direct Expenditure

- (i) The Department of Food and Public Distribution is also taking steps for modernization of TPDS, including computerization. The Department has launched a scheme for computerization of TPDS on cost sharing basis with States/UTs and the estimated share of Central Government is about Rs.490 crore over 2012 to 2017. This expenditure, however, is not directly attributable to NFSB.
- (ii) The expenditure on National Food Commission, estimated at Rs.6.0 crore per annum, will be borne by the Central Government.

### (II) Expenditure to be borne by State Governments

1.10 State/UT Governments would be required to bear the expenditure on grievance redressal bodies at District and State levels proposed in the Bill, *viz* District Grievance Redressal Officer (DGRO) and State Food Commission. Expenditure for one State Food Commission is estimated at Rs. 4.0 crore per annum, whereas the estimated expenditure on one DGRO is Rs. 50.0 lakh per annum. State Governments will also be required to bear the expenditure on intra-State movement of foodgrains, handling and fair price shop dealers' margin, because these costs cannot be passed on to beneficiaries under the NFSB. The expenditure on this account, to be borne by State Govts., is estimated to be about Rs. 8,300 crore per annum, based on information received from States/UTs about the expenditure currently being incurred by them on these items.

### (III) Expenditure to be shared between Central and State Governments

1.11 As per provisions of the Bill, expenditure on payment of maternity benefit to pregnant and lactating women is to be shared between Central and State Governments in accordance with schemes to be formulated. At the

rate of Rs. 1,000 per month for 6 months, the scheme expenditure towards maternity benefits to 2.25 crore pregnant and lactating women works out to be Rs. 14,512 crore per annum (including administrative cost). Though the Ministry of Women and Child Development is currently implementing a pilot scheme of maternity benefit - Indira Gandhi Matritva Sahayog Yojana, in 52 Districts, a new scheme will have to be launched to meet the benefits specified in the Bill. This expenditure would therefore be additional, except the existing allocation of Rs. 600 crore for the pilot scheme in 2011-12.

1.12 Similarly, expenditure on new schemes for providing meals to special groups (destitute, homeless, emergency & disaster affected persons and persons living in starvation) is also to be shared between Central and State Governments. Assuming that the size of this group is upto 5% of the priority population and assuming that cost of a meal is Rs. 10 per person, the total cost works out to around Rs. 8,920 crore per annum for providing, on an average, one meal a day to each person. This would also be a new item of expenditure.

1.13 In conclusion, the main items of additional annual expenditure which can be directly attributable to NFSB are summarized in the table below:

(Rs. in crore)

| Items of Expenditure  | Centre | State | To be shared<br>between Centre<br>and State* |
|---|--------|-------|--|
| Additional Food Subsidy 2012-13   | 2409   | -     | -  |
| National Food Commission  | 6      | -     | -  |
| District Grievance Redressal<br>Officer(for 640 districts)                              | -      | 320   | -  |
| State Food Commission<br>(for 35 States/UTs)  | -      | 140   | -  |
| Expenditure on intra-State transportation of foodgrains, handling, dealer's margin etc. | -      | 8,300 | -  |
| Meals to special groups   | -      | -     | 8,920  |
| Maternity Benefit   | -      | -     | 13,912                                       |
| Total   | 2415   | 8,760 | 22,832                                       |

+ expenditure on publicity, social audit and evaluation studies, training and capacity building, strengthening of D/o F&PD etc.

<sup>\*</sup>Sharing pattern to be decided in the new schemes to be formulated.

# E. PROCESS OF CONSULTATION HELD BY GOVERNMENT OF INDIA BEFORE INTRODUCTION OF THE BILL

1.14 As per the Demarcation of Responsibilities in Government of India, the subject matter comes under the purview of the Ministry of Consumer Affairs, Food and Public Distribution (Department of Food and Public Distribution). The Department accordingly circulated a Concept Note on the proposed Food Security Law to all States/Union Territories and concerned Central Ministries on 05.06.2009 and 10.06.2009 and examined the responses received. The Department also held consultations with the State Food Secretaries, representatives of various Central Ministries, Planning Commission, experts and other stakeholders. The first consultation meeting with the State Food Secretaries was held on 10.06.2009. On the concept note, a meeting was held with representatives of Ministries of Rural Development (RD), Women and Child Development (WCD), Human Resource Development (HRD) and Planning Commission on 11.06.2009. Consultation with experts was held on 12.06.2009. The next round of discussion with representatives of Ministries of Agriculture, RD, Deptt. of Drinking Water Supply, HRD, WCD, Social Justice & Empowerment, Housing & Urban Poverty Alleviation (HUPA) and Planning Commission was held on 01.07.2009.

1.15 Since September, 2009, the NFSB has been under consideration of the Empowered Group of Ministers (EGoM) constituted to consider issues concerning procurement, management of foodgrains stocks, revision of central issue prices of foodgrains and the proposed law on food security. The matter was placed before the EGoM in its nine meetings held on 01.09.2009, 16.09.2009, 12.02.2010, 18.03.2010, 05.04.2010, 25.6.2010, 18.03.2011, 02.05.2011 and 11.07.2011.

1.16 The National Advisory Council (NAC) has also deliberated on the proposed law on Food Security, and following inputs have been received from them:

- (i) Recommendations of NAC finalized in its meeting held on 23.10.2010
- (ii) Note dated 21.01.2011 on the draft National Food Security Bill (NFSB) outlining the framework of the proposed Bill
- (iii) Explanatory Note dated 21.02.2011 on the draft NFSB
- (iv) Draft National Food Security Bill dated 03.06.2011
- (v) National Food Security Bill approved by the NAC in its meeting dated 22.06.2011

- 1.17 An Expert Committee (EC) was constituted by Prime Minister's Office under the Chairmanship of Dr. C. Rangarajan, Chairman, PM's Economic Advisory Council (EAC) on 16.11.2010 to examine the recommendations of NAC. The EC submitted its report to the Prime Minister on 07.01.2011.
- 1.18 Taking into consideration the inputs received from the NAC, recommendations of the Expert Committee, trends in production and procurement of foodgrains, views/comments received from the Planning Commission, Central Ministries/Departments, State/Union Territories (UTs) Governments and other stakeholders, a draft National Food Security Bill (NFSB) was prepared by this Department. Draft Bill was considered by the Empowered Group of Ministers (EGoM) in its meeting held on 11.07.2011. The EGoM directed that draft NFSB, with the modifications proposed in the supplementary note, be got vetted by the Legislative Department before the States and UTs are consulted, and thereafter, placed for consideration of the Cabinet. Accordingly, vetted draft was circulated to the States/UTs on 12.08.2011 and to the Central Ministries on 18.08.2011 for comments. It was also placed on the website of the Ministry on 09.09.2011 inviting comments/ suggestions by 31.10.2011.
- 1.19 The draft Bill was modified based on comments/suggestions received and a draft note for the Cabinet on NFSB was circulated on 17.11.2011 for inter-Ministerial consultation, to the Planning Commission and Ministries/ Departments of Expenditure, Agriculture & Cooperation, School Education and Literacy, Women & Child Development, Rural Development, Housing and Urban Poverty Alleviation, Health & Family Welfare, Home Affairs, Economic Affairs, Information Technology, Drinking Water and Sanitation, Panchayati Raj, Railways, Social Justice and Empowerment, Tribal Affairs, Water Resources, Consumer Affairs, Urban Development, Development of North Eastern Region, Legal Affairs and Legislative Department as well as to Unique Identification Authority of India (UIDAI) and National Informatics Centre (NIC), inviting comments by 01.12.2011. Copies of the draft Bill were also sent to the National Commission for Scheduled Castes and National Commission for Scheduled Tribes for comments. Based on comments received, the National Food Security Bill was finalized, which was considered and approved by the Cabinet in its meeting held on 18.12.2011, for introduction in Parliament.

# F. PROCESS OF CONSULTATION HELD BY THE COMMITTEE WHILE EXAMINING THE SAID LEGISLATION

1.20 The National Food Security Bill, 2011 was introduced in Lok Sabha on 22nd December, 2011 and was referred to the Standing Committee

on Food, Consumer Affairs and Public Distribution on 5th January, 2012 by Hon'ble Speaker for examination and report to Parliament as per Rule 331 (E) (1) (b) of the 'Rules of Procedure and Conduct of Business in Lok Sabha'. The Committee accordingly, obtained written information on various issues provided in the Bill from the Nodal Ministry i.e. Ministry of Consumer Affairs, Food and Public Distribution (Department of Food and Public Distribution). The preliminary meeting of the Committee was held on 23rd January, 2012 to decide the course of action in connection with the examination of the Bill. The Committee at the aforesaid sitting decided to invite the views of experts, organizations, individuals and other stakeholders through print and electronic media including the Lok Sabha TV. In response thereto, approximately 1.5 lakh memoranda including identical letters suggesting universal PDS were received which were scrutinized by the Committee Secretariat. The Committee also received response/suggestions from the sitting and Ex-Members of Parliament of both the Houses, social workers, representatives of various organizations, representatives of Women Organizations, Child Welfare Organizations, legal persons and researchers. Accordingly, selected experts/representatives of associations/ individuals, Members of Parliament deposed before the Committee as per details given in Appendix I. The aforesaid experts and stakeholders raised serious reservations on some of the provisions of the Bill and suggested some modifications/amendments.

1.21 Since the entitlements under the Act are to be made by the Central Government under the Targeted Public Distribution System to be implemented by State Governments, the Committee decided to obtain views of the State Governments/UTs in the form of replies to a List of Points on the aforesaid Bill. The written views/suggestions of the State Governments of Andhra Pradesh, Bihar, Rajasthan, Uttar Pradesh, J&K, Sikkim, Puducherry, Andaman and Nicobar Islands and NCT of Delhi, etc. were received. The Committee also held discussions with the State Governments of Meghalaya, Assam, Bihar, J&K, Odisha, Andhra Pradesh and Kerala during their Study Visits to these States.

1.22 The various Union Ministries of the Government of India viz. Rural Development, Social Justice and Empowerment, Panchayati Raj, Health and Family Welfare and Women and Child Development play a key role in protecting the interests of various vulnerable sections of the society like women, children and tribals. The Ministry of Agriculture has a major role in the enhancement of agriculture production in the country. The Ministry of Finance (Department of Expenditure) and (Department of Revenue) have a key role for looking into the financial aspect of the

Bill. The Ministry of Railways have a vital role in the transportation of foodgrains and providing requisite rakes to streamline the movement of foodgrains. The Committee, therefore, held detailed deliberations with the aforesaid Ministries.

1.23 The Committee also heard the views of representatives of the World Food Programme (WFP), New Delhi, Food and Agriculture Organization (FAO), New Delhi, United Nations International Children Emergency Fund (UNICEF), New Delhi, Delhi School of Economics, National Commission for Protection of Child Rights (NCPCR), New Delhi, All India Democratic Women's Association, New Delhi and Right to Food Campaign (RFC). The Committee also heard the views of representatives of Unique Identification Authority of India (UIDAI) and National Informatics Centre (NIC) who have a key role for application of information and communication technology (ICT) including end to end computerization, leveraging 'aadhaar' for unique identification of beneficiaries. Besides, the Committee also shared the views of Shri Naveen Jindal, M.P. Lok Sabha, Shri N.K.Singh, M.P. Rajya Sabha, Prof. M.S. Swaminathan, M.P. Rajya Sabha and Smt. Brinda Karat, Ex-M.P. Rajya Sabha on the various provisions of the Bill. The Committee were greatly benefitted by the exhaustive suggestions made during these sittings.

1.24 The Committee were briefed by the representatives of the Nodal Ministry i.e. the Ministry of Consumer Affairs, Food and Public Distribution (Department of Food and Public Distribution along with the representatives of Food Corporation of India (FCI) and Central Warehousing Corporation (CWC) who have a key role in augmenting procurement and storage capacity in view of the proposed Bill, at their sittings held on 22nd February, 2012 and 2nd March, 2012. The term of the Committee (2011-12) expired on 30th August, 2012 and the Committee (2012-13) was constituted w.e.f. 31st August, 2012. The Committee (2012-13) continued the examination of the Bill from the stage the earlier Committee had left. As the Committee (2012-13) consisted of 14 new Members, a briefing meeting with the Nodal Department viz. the Department of Food and Public Distribution was held on 9th October, 2012. The Committee took oral evidence of the representatives of the Nodal Ministry at their sitting held on 13th December, 2012. The representatives of the Nodal Ministry were also present at the various sittings of the Committee where the Committee took evidence of the various concerned Ministries/Departments and assisted the Committee by clarifying various issues.

1.25 Subsequently, the Committee undertook Clause by Clause consideration of the Bill at their sitting held on 11th January, 2013.

1.26 The Committee note that in pursuance of the Constitutional obligations and the international conventions, providing food security has been the focus of the Government's planning and policy. In order to address the issue of food security at the household level, the Government is presently implementing Targeted Public Distribution System (TPDS) under which subsidized foodgrains are provided to the people living Below Poverty Line (BPL) including Antodaya Anna Yojana (AAY) and Above Poverty Line (APL) households. The Government proposes to enact a new legislation viz. 'The National Food Security Bill, 2011' which aims to provide for food and nutritional security in human life cycle approach by ensuring access to adequate quantity of food at affordable prices to people to live a life with dignity. The proposed legislation marks a paradigm shift in addressing the problem of food security – from the current welfare approach to a right based approach. About two thirds of the population will be entitled to receive subsidized foodgrains under Targeted Public Distribution System after implementation of the Bill. It will also confer legal rights on women and children and other Special Groups such as destitute, homeless, disaster and emergency affected persons and persons living in starvation, to receive meal free of charge or at affordable price, as the case may be.

1.27 The Committee find that the Government has brought out this important legislation to address the aforesaid concerns after having detailed consultations with various concerned Central Ministries of the Government of India, State Food Secretaries, Planning Commission, Experts and other stakeholders. The National Food Security Bill, 2011 as introduced in Lok Sabha on 22nd December, 2011 was referred to the Parliamentary Standing Committee on Food, Consumer Affairs and Public Distribution for examination and report. Considering the wide implications of the Bill, the Standing Committee decided to consult the widest possible sections of the society/organizations as also the representatives of the Central Ministries and State Governments. In response to the press advertisements given in print and electronic media to elicit the views of the general public at large, the Committee received about 1.5 lakh memoranda/letters containing the views/suggestions of the General Public/Institutions/Associations/NGOs etc. The Committee also held a series of sittings for taking the evidence of the representatives of various Central Ministries, Associations, Women organizations, Child Welfare Associations/Experts/Individuals and Members of Parliament, etc. The Committee also held interactions with the officials of some of the State Governments on the proposed National Food Security Bill viz. Meghalaya, Assam, Bihar, J&K, Odisha, Andhra Pradesh and Kerala during their study visits to these States.

1.28 Based on the information/views gathered by the Committee during all the aforesaid interactions/evidence and written memoranda, the Committee observed that not a single objection was raised on the National Food Security Bill per se. However, there are issues such as coverage of beneficiaries in rural and urban areas, identification procedure, exclusion and inclusion criteria, quantum of foodgrains entitlement for priority and general households, nutritional security for women and children, proposal for cash transfer in lieu of foodgrains entitlement and sharing of expenditure by Central and State Governments under various provisions as envisaged in the Bill, etc. on which different views were expressed by different sections of the stakeholders which the Committee will deal with in the succeeding Chapters of the report.

1.29 The Committee note that under the existing Targeted Public Distribution System (TPDS), allocation of foodgrains are being made by the Central Government to States/UTs based on the accepted number of 6.52 crore Below Poverty Line (BPL) households (including 2.43 crore Antodaya Anna Yojana {AAY} households) and 11.5 crore Above Poverty Line (APL) households. The allocations are based on the population estimates for the year 2000 of the Registrar General of India, using 1993-94 Poverty Estimates of the Planning Commission. Accordingly, the quantum of food subsidy for the year 2010-11 was ₹ 65,045 crore which is likely to increase to ₹88,977 crores during the year 2012-13 (without taking into account the carrying cost of stocks held in Central Pool but not issued). Further, the Department has informed that using the population figures of 2011 Census and poverty estimates of 1993-94 and taking household size as 5.3 as per census 2001 (final figures of household size of 2011 census not yet available), the quantum of subsidy for 2011-12 works out to ₹ 95,787 crores which is likely to increase to ₹ 1,09,796 crores for the year 2012-13. As per provisions of the National Food Security Bill, 2011, the food subsidy for 2012-13 shall be ₹ 1,12,205 crores. There will thus be marginal increase in the food subsidy during 2012-13 from ₹ 1,09,796 crores to ₹ 1,12,205 crores which work out to Rs.2409 crores.

1.30 While noting that the proposed National Food Security Bill, 2011 is going to be an important step towards the elimination of hunger and under nutrition in India, the Committee feel that it is of utmost importance that the Bill remains a simple yet effective framework of the Public Distribution System ensuring food security to the people of India. The Committee are also conscious of the large amount of subsidy involved in the implementation of the Bill and are aware that it is likely

to increase substantially in the coming years. The Committee feel that it should accordingly be the endeavour of the Government to implement the Act in a transparent and efficient manner on a sustainable basis without any adverse implications on the economy. The Committee, therefore, recommend the passing of the National Food Security Bill, 2011 subject to their observations/ recommendations contained in the succeeding chapters of the report.

### CHAPTER - II

# A. COVERAGE OF POPULATION AND ENTITLEMENT UNDER TARGETED PUBLIC DISTRIBUTION SYSTEM

As per the proposed National Food Security Bill (NFSB), upto 75% of the rural population (with atleast 46% belonging to the priority households) and upto 50% of the urban population (with atleast 28% belonging to the priority households) will be provided subsidized foodgrains under TPDS. Priority households will be entitled to 7 kg. of foodgrains per person per month at prices not exceeding ₹ 3, ₹ 2, Re. 1 per kg. for rice, wheat, coarse grains, respectively and general households will be entitled to not less than 3 kg. of foodgrains at prices not exceeding 50% of Minimum Support Price (MSP) for wheat and coarse grains and not exceeding 50% of derived MSP for rice.

2.2 Priority households under NFSB would be an expanded version of the existing BPL (including AAY) category. As can be seen, under the National Food Security Bill, the entitlements are proposed to be on per person basis and not on household basis. The average household size in the country as per Census 2001, was 5.3 and, therefore, per household existing foodgrain entitlement, on an average, for BPL and AAY households will be protected under NFSB. It is, however, true that due to shift from household based to individual based entitlement, the BPL and AAY households with smaller family size (less than 5) will receive less foodgrains than what they are getting now. On the other hand, whereas under the present system every BPL and AAY household gets 35 kg. of foodgrains per month irrespective of the household size, as per provisions of NFSB, households with more members will be entitled to get more. It is felt that the per person entitlement proposed in the Bill is more equitable, as it takes into account the size of each household.

### 2.3 Summary of views/suggestions placed before the Committee

Ministry of Social Justice and Empowerment – The basis for giving numerical ceiling for coverage of population under categories of 'priority' and 'general' households at an all India level is not clear. The target groups mentioned in Clauses 4 to 6 of Chapter II viz., pregnant women, lactating mothers and children are looked after by the Ministry of Women & Child Development.

Ministry of Tribal Affairs – All tribals and forest dwellers should be treated as belonging to the priority criteria. It needs to be ensured that all the tribals and forest dwellers are covered under the PDS system. The ground reality shows that while some tribals are covered under PDS, many are deprived of the same.

Ministry of Women and Child Development – The Ministry agrees with the methodology for identification of priority households and general households as proposed in the Bill.

**State Government of Andhra Pradesh** – There is a need to provide flexibility to State Governments to implement their own subsidy scheme by making use of rice allotment to the State under NFSB to cover the existing number of families/persons covered by the State Government under the TPDS.

**State Government of Odisha** – There should be no capping on the coverage under TPDS as 75% in rural area and 50% in urban area as had been proposed in the Bill. It should be dynamic with annual updating of the beneficiary data base under Socio-Economic Survey. By capping on coverage as proposed in the Bill, the State of Odisha will be put into lot of inconvenience as a large number of genuine people would be left out.

**State Government of Tamil Nadu** – In a federal structure like ours where the States are in close and direct contact with the people, the choice of designing and implementing welfare schemes should be left to the States and the State of Tamil Nadu may be exempted from the purview of the Bill.

**UNICEF** - 7 kgs subsidized foodgrains per person per month needs to include other nutritious food such as pulses, oil and milk/dairy products.

All India Democratic Women's Association – The Eleventh Plan document of the Planning Commission shows that leakages in PDS have doubled with targeting. The leakage in case of rice increased from 19% under the Universal PDS in 1993-94 to 40% under the Targeted PDS in 2004-05 (NSS Data). In case of wheat it went up from 41% in 1993-94 to 73% in 2004-05. In contrast, States like Tamil Nadu, Andhra Pradesh, Kerala and Chhattisgarh that have near universal or larger coverage than the TPDS display very low leakages. Thus, targeting defeats the very purpose of the PDS and must be eschewed on the basis of its revealing experience since 1997.

From 82 per cent households covered under the combined categories of BPL and APL today, it proposes a reduced coverage of 75 per cent households in rural areas and 50 per cent in urban areas. Thus, the Government's Bill is a proposal for a significantly truncated PDS.

- **Shri Naveen Jindal, M.P. (LS)** World Health Organization (WHO) prescribes minimum subsistence to be 11 kgs as against 7 kgs that is being prescribed right now. Committee may like to suggest accordingly.
- **Prof. M.S. Swaminathan, M.P. (RS)** In my view, we should adopt a Universal Public Distribution System, as is already in operation in Tamil Nadu and Kerala, with well defined and transparent exclusion criteria. The exclusion process including self exclusion will mark the beginning of an important social protection measure built on the foundation of a culture of honesty.
- **Shri N.K. Singh, M.P. (RS)** We must recognize that in accordance with the Constitution, the right to food is a universal right of every citizen. Those who are below the poverty line and on the edge of hunger must receive our overriding priority.
- **Smt. Brinda Karat, Ex-M.P. (RS)** By imposing artificial caps in Sec. 3(2), only 46 per cent of the rural population and 28 per cent of the urban population are entitled to BPL benefits and only 29 per cent of the rural population and just 22 per cent of the urban population to APL benefits. The exclusion is 25 per cent in rural and as high as 50 per cent in urban areas. Taken in totality, the FSB actually cuts down on the coverage of the population compared to the present system.

The 3 kgs. a month entitlement for APL Section is making a mockery of food security. The maximum a family of five can get is just 15 kgs.

Mr. Jeane Dreze, Hon. Professor, Delhi School of Economics and Ms. Reetika Khera, Asst. Professor, IIT, Delhi We are not against universalization, we are for it. The exclusion ratios of 25 per cent in rural areas and 50 per cent in urban areas, are quite large and in fact, dangerously large because we are going to create a constituency of powerful people who will have no stake in the PDS and who would try to sabotage it. Actually, we would much prefer lower exclusion ratio. If you are going to exclude the rich, then don't go further. Stop there, and give everyone else the same entitlements.

The Bill is saying 7 kgs. for priority group and 3 kgs. for general category. In our opinion, the procurement level is so high and it is going to continue increasing. We feel that you could even make it 7 kgs.

### 2.4 Reply of the Department of Food & Public Distribution

When asked to respond on the above suggestions, the Department of Food and Public Distribution stated as under:-

'All India level of coverage of 75% and 50% under TPDS in rural and urban areas respectively has been proposed in the Bill keeping in view the current levels of production and procurement of foodgrains. Corresponding to this, coverage in each State/UT under priority and general households is to be determined by the Central Government. State Governments will be responsible for actual delivery of foodgrains to entitled persons at specified prices. State Governments however, if they so desire, will be free to extend the coverage out of their own resources as long as the minimum entitlements prescribed under the Bill for the identified priority and general households are met.'

When asked how does the Government propose to implement the provisions of the Bill in those States which are already implementing Universal PDS and providing foodgrains free of cost to all its citizens, the Department of Food and Public Distribution replied as below:-

'Once the proposed legislation on food security is enacted, the coverage of households – priority and general – and their entitlements will be fixed for each State/UT and it will not be possible for States/UTs to reduce the entitlements of identified and general households in order to cover more households. States/UTs will however still be free to expand the coverage beyond the numbers prescribed under the proposed legislation as long as the entitlements prescribed in the Bill for identified priority and general households are not compromised, either in terms of quantity of foodgrains or prices to be charged from such households. It is now proposed to allow a certain timeframe to States/UTs for preparedness to implement the Act. Attempt will be made to address the concerns of Tamil Nadu Government within this timeframe during which the State Government may continue to implement their own PDS. It is not possible to leave out any particular, State from the purview of the Bill.'

The Committee pointed out that suggestions have been received that the entitlement should be atleast 11 kg. per person per month. It has also been suggested by some that entitlements of 7 kg. per person per month should be for both the categories *i.e.* the priority and general households. In this context, the Committee desired to know what would be the requirement of foodgrains and the amount of food subsidy involved, in case the foodgrains are given to all the beneficiaries e.g. to both priority and general households at the rate of 5 kg. or 7 kg. per person per month. The Committee further desired to know what will be the foodgrains requirement, if the entitlements are made universally under TPDS at

5 kg./7 kg. or 11 kg. per person per month. The Ministry in reply stated as under:-

'The levels of production and procurement of wheat and rice since 2006-07 is given in table below:

## Production and Procurement of Rice and Wheat

(in lakh tons)

| Crop    | R       | ice    | W      | heat   | То      | otal     |
|---------|---------|--------|--------|--------|---------|----------|
| Year    |         |        |        |        | (Rice + | - Wheat) |
|         | Prodn.  | Proc.  | Prodn. | Proc.  | Prodn.  | Proc.    |
| 2006-07 | 933.55  | 251.07 | 758.10 | 111.28 | 1691.65 | 362.35   |
| 2007-08 | 966.93  | 287.36 | 785.70 | 226.89 | 1752.63 | 514.25   |
| 2008-09 | 991.80  | 341.04 | 806.80 | 253.82 | 1798.60 | 594.86   |
| 2009-10 | 890.90  | 320.34 | 808.00 | 225.14 | 1698.90 | 545.48   |
| 2010-11 | 959.80  | 342.00 | 868.70 | 283.35 | 1828.50 | 625.35   |
| 2011-12 | 1043.22 | 350.36 | 939.03 | 381.48 | 1982.25 | 731.84   |

Estimated requirements of foodgrains, for covering 75% of the rural population and 50% of urban population under TPDS as a single category, with entitlements of 5,7 and 11 kgs. per person, are as under:-

# Estimated Requirement of Foodgrains

(in lakh tons)

| Entitlement<br>(per person<br>per month) | Coverage          | Estimated<br>Require-ment<br>under<br>TPDS | Estimated<br>Require-ment<br>under Other<br>Welfare<br>Schemes<br>(OWS) | Total<br>Require-<br>ment |
|--|-------------------|--|---|---------------------------|
| 5 kg.                                    | 75% in rural      | 488.02                                     | 80  | 568.02                    |
| 7 kg.                                    | areas and 50%     | 683.23                                     |   | 763.23                    |
| 11 kg.                                   | in urban<br>areas | 1073.65                                    |   | 1153.65                   |

As can be seen, except for 2010-11 and 2011-12, the procurement of rice and wheat in recent years has been less than 600 lakh tons. The average procurement of wheat and rice during the last 5 years (2007-08 to 2011-12)

has been 602.4 lakh tons, which is a significant improvement over the average of 382.2 lakh tons during 2000-01 to 2006-07. In percentage terms, the average procurement during last 5 years has been about one third of their average annual production. Increasing the percentage of procurement beyond this level would be difficult. The Expert Committee, constituted under the Chairmanship of Dr. C. Rangarajan, Chairman, Economic Advisory Council to the Prime Minister, to consider the suggestions of NAC on the National Food Security Bill, in its report had assumed that it will be possible to procure 30% of the total production and had stated that a larger procurement had the danger of distorting the food prices in the open markets.

Seen in this background, the estimated foodgrains requirement @ 7 kg. and 11 kg. per person per month for 75% of the rural population and 50% of the urban population would be beyond the realm of feasibility. Foodgrains requirement at 5 kg. per person per month is however, manageable and may be considered by the Committee as an option. It may, however, be noted that currently AAY and BPL beneficiaries are entitled to receive 35 kg. per household per month, which comes to about 7 kg. per person per month.

Foodgrains requirement for providing 5 kg. or 7 kg. to all the beneficiaries under TPDS under NFSB *i.e.* 75% of rural population and 50% of urban population, and corresponding food subsidy is given below:-

| <b>Estimated Requirement</b> | of Foodgrains | under TPDS |
|------------------------------|---------------|------------|
|------------------------------|---------------|------------|

| Entitlement | Estimated      | Food Subsidy * |
|-------------|----------------|----------------|
| (per person | Requirement    | (in Rs. crore) |
| per month)  | (in lakh tons) |                |
| 5 kg.       | 488.02         | 92499.48       |
| 7 kg.       | 683.23         | 129499.28      |

<sup>\*</sup>Food subsidy is calculated for rice and wheat assuming rice:wheat ratio for total foodgrains requirement as 55:45. Central Issue Price of Rs. 2/kg. for wheat and Rs.3/Kg for rice and Economic Cost for 2012-13 has been used.

#### Recommendation of the Committee

2.5 The Committee note that the Bill seeks to limit entitlements to a maximum of 75% of rural population and 50% of the urban population, provided that not more than 46% rural and 28% urban population is designated as priority households. The Committee have been informed that this coverage has been proposed keeping in view the current levels of production and procurement of foodgrains. The Committee also note that the average procurement of wheat and rice during the last five years has been 602.4 lakh tonnes which is about one third of the

average annual production. The Expert Committee constituted under the Chairmanship of Dr. C. Rangarajan, Chairman, Economic Advisory Council to the Prime Minister in its Report had assumed that it will be possible to procure 30% of the total production and had stated that a larger procurement had the danger of distorting the food prices in the open markets. The Committee, therefore, agree to the proposed coverage of 75% population in rural areas and 50% in urban areas.

The Committee have been informed that the priority household would be an expanded version of the existing BPL (including AAY category). The Committee, however, feel that by imposing a ceiling of 46% rural and 28% urban population, there will be 29% of rural population and 22% of urban population who would constitute general households which have been proposed an entitlement of 3 kg. per person per month. However, according to the views expressed by some experts, the amount of 3kg. per person per month is too meager to sustain a person. The Committee have been given to understand that the estimated requirement of foodgrains for covering 75% of the rural population and 50% of urban population under TPDS as a single category with entitlement of 5kg. and 7 kg. per person will be 568.02 lakh tonnes and 763.23 lakh tonnes, respectively. Keeping in view that the average annual procurement during the last 5 years has been 602.4 lakh tonnes, the estimated food requirement @ 7kg. per person per month for 75% rural and 50% of urban population would be beyond the realm of feasibility. However, foodgrains requirement @ 5kg. per person per month for all the covered population will be manageable. Considering the suggestion of some experts that 3 kg. per person per month is not adequate for sustenance of a person and taking into account the average annual procurement level, the Committee recommend that the population to be covered under TPDS in the Bill should be a single category with uniform entitlements @ 5 kg. per person per month.

2.6 The Committee further observe that there has been universal coverage or near universal coverage of population in the States like Tamil Nadu, Andhra Pradesh, Kerala, Chhattisgarh, etc. Hence, the proposed coverage under the Bill is less than the coverage of population at present in these States. The Committee endorse the views of some State Governments that in a federal State like India where the States are in close and direct contact with the people, the choice of designing and implementing welfare schemes within the States should be left to the States. Considering the views/suggestions placed before them, the Committee, therefore, recommend that the State Governments may be given the flexibility to extend the coverage beyond the numbers

prescribed under the proposed Bill out of their own resources so as to cover more population, but not less population as envisaged in the proposed Bill. Further, the Committee are of the opinion that it is also very important that these exclusion ratios are distributed in a fair manner across the States. In case uniform exclusion ratios are applied in every State, it would be unfair to the poorer States and would defeat the very purpose of the Bill. The Committee, therefore, recommend that a simple and fair way of setting State-wise exclusion ratio should be prescribed in a transparent manner so as to retain the existing coverage of population and enable the Government to determine the inter-State foodgrains allocations under the Targeted Public Distribution System (TPDS) with the cut-offs set in such a way that 25% of the rural population and 50% of the urban population are above the respective cut-offs at the national level. If this calculation leads to a lower foodgrains allocation to a particular State than what it is receiving presently, the Central Government may protect the existing allocations to that State through an Executive Order thereby protecting the interest of that State.

#### B. GUIDELINES FOR IDENTIFICATION OF BENEFICIARIES

2.7 Priority and general households have been defined in the Bill as households identified as such under Section 15. Section 15 of the Bill provides that within the State-wise number of persons belonging to the priority households and general households determined by the Central Government, identification of households shall be done by the State Governments or such other agency as may be decided by the Central Government, in accordance with the guidelines to be prescribed by the Central Government. This provision had been made keeping in view the ongoing Socio Economic and Caste Census (SECC) for identification of beneficiaries. The Department of Food and Public Distribution have stated that the Ministries of Rural Development (RD) and Housing and Urban Poverty Alleviation (HUPA) and the Planning Commission have a role in the identification of beneficiaries for the purpose of receiving subsidized foodgrains under Targeted Public Distribution System (TPDS) under the National Food Security Bill. The RD and HUPA Ministries are carrying out the Socio Economic and Caste Census (SECC), 2011 in rural and urban areas, respectively. In the Joint Statement dated 03.10.2011 of the Deputy Chairman, Planning Commission and the Minister of Rural Development in this regard, it was inter-alia stated that the eligibility and entitlements of rural households in the country for different central government programmes and schemes will be determined after the SECC, 2011 survey results are available and have been analysed. The Union Ministry of Rural Development and the Planning Commission will consult

with States, experts and civil society organizations to arrive at a consensus on the methodology for identification of beneficiaries after the SECC, 2011 Survey is completed. An Expert Committee will be appointed to ensure that this methodology is consistent with the provisions of the Food Security Bill as it finally emerges.

2.8 The Department further stated that the Department of Food and Public Distribution discussed the progress of Socio Economic and Caste Census (SECC), 2011 with the Department of Rural Development at the Secretary level. The Department of Rural Development informed the Department of Food and Public Distribution that roughly 68% survey is complete. Once the enumeration is complete, analysis and process of publication and inviting objections and appeal etc. will be gone through. All these will take time, therefore, the Ministry of Rural Development is not in a position to commit timeline for completion. It was also mentioned that States have been asked to physically check the position of cases which will be covered under automatic inclusion criteria.

## 2.9 Summary of views/suggestions placed before the Committee

Ministry of Rural Development – The major issue is identification of the people who are likely to be benefited by the provisions of the Act. We are very conscious of the onerous responsibility that is cast on us because the process that we are undertaking will actually determine the entitlements of individuals, not only under this Act, but under a variety of Central and State Acts. The reason why this Ministry is doing this is because traditionally we have been doing a large number of beneficiary oriented schemes and over time, we have developed criterion on the basis of which we have, under each scheme, included or not included, certain categories of people and that ultimately resulted in our conducting periodical BPL surveys. This is done at the start of each Plan period.

Ministry of Social Justice and Empowerment – While framing guidelines for identification of priority households, issues concerning persons with disabilities including their problems to access facilities on account of a multiplicity of reasons including reduced mobility, inaccessible information and communication may be given due consideration.

The Scheduled Castes, Scheduled Tribes, the disabled, single women and the dependents, widows, the elderly, the destitute, the homeless, pregnant and nursing mothers and pre-school children (*i.e.*. less than 6 years) be mandatorily included in the priority group, as about three-fourths of the most vulnerable category of people is constituted by them, in accordance with their proportion in the population of the States/Region/District or even at the lower level of administrative units.

Ministry of Tribal Affairs – A separate commission or committee for identification of beneficiaries may not be required, identification should be done by the local authorities or by the tribal hamlets/habitations. Further, the Bill provides for two categories. But the Ministry feels that tribals in remote/inaccessible areas may be included in the priority.

**State Government of Assam –** The identification of families below poverty line should be determined by the Central Government in consultation with the State Governments.

**State Government of Kerala** – The poverty estimates should be arrived at on the basis of a consultative mechanism to be evolved by Government of India jointly with the State Governments and with the involvement of the Local Self Governments in the actual determination of poverty levels in the States.

**State Government of Odisha** – State's role in fixing the poverty ratio has not been looked into. If Central Government fixes the poverty ratio and finalized the number of priority and general households without involving the State, the State Government would face problems in implementing the provisions of NFS Bill in the field with respect to identification of beneficiaries.

**Unique Identification Authority of India** – Members of priority households once identified may be allotted 'Aadhaar' number and accordingly PDS database may be updated with 'Aadhaar' Numbers.

**World Food Programme** – Identification of beneficiaries should be transparent, based on a sound rationale and conscious attempt to take into account the differences. There should be clearly defined criteria for exclusion and the rest should get the entitlement uniformly across the country.

All India Democratic Women's Association – The proposed Bill seeks to create further categories for targeting like – 'priority households', 'general households', 'persons living in starvation', 'special groups', 'destitute persons', 'homeless persons', etc. It is clear that none of these categories can be neatly compartmentalized and are bound to lead to endless identification errors.

**Shri N.K. Singh, M.P. (RS)** – The Bill must enable every child, woman and man to have an opportunity for a healthy and productive life beyond mere access to the calorific requirement for his basic existence.

**Smt. Brinda Karat, Ex-M.P.(RS)** – The APL/BPL divisions and the methodology used for their definition by the Planning Commission have been widely criticized, including by the Supreme Court of India. The present Bill

changes the nomenclature of APL and BPL to General and Priority Sections but retains the utterly dubious method of putting caps on the BPL and APL populations.

The Supreme Court has opined that SCs, STs, disabled persons, widows, female headed households should be included in the Antodaya category. As is known, far from being included in the Antodaya Category, the majority of these sections have in fact been excluded even from the BPL category as shown by NSS figures.

Mr. Jeane Dreze, Hon. Professor, Delhi School of Economics and Ms. Reetika Khera, Asst. Professor, IIT, Delhi – There is no scientific method for identifying BPL households. It is like a hit and miss approach, sometimes poor people are excluded, that is not what is expected in the Bill of this kind. It is unreliable, divisive and impractical and it will be even worse. There are three categories and there is no clarity on how these categories are going to be identified.

Leave the exclusion criteria to the State Governments. In many States, they will put in some of their resources to expand the PDS further which will be a very good thing. Leave it to the States to decide whether they want to expand it further and leave it to them to define and implement the exclusion criteria because it is very difficult to have a national criteria.

2.10 During briefing meeting with the representatives of the Ministry of Rural Development held on 2nd March, 2012, the Committee desired to know the progress of the Socio Economic Caste Census, 2011 (SECC). The Secretary, Department of Rural Development informed the Committee as follows:-

The SECC was started in June, 2011. We have progress in several States. In some States, the progress has been quite good. In several cases, the progress is still to pick up. In a few States, it is almost zero. It is very low in Bihar. In Uttar Pradesh, they have not been able to start because of the elections. They will be starting once the election process is complete. This in essence is the progress of the Census.

In our Census, we go by a System through which we first take all the data, and then we have a set of exclusion indicators. The people who have certain types of assets and certain types of incomes should be excluded from the benefits. We wanted to have an inclusion category, which irrespective of any other deprivation, should be included because of the overall socio-economic policy direction of the Government. The inclusion category is households without shelter, destitutes' living in slums, manual scavengers, primitive tribal groups and legally released bonded labour; irrespective of any other status. If so long they have

not been excluded, we would deem them to be included. As these two categories have been made, the remaining people would be classified in terms of what we call the deprivation indicators.'

## 2.11 Reply of the Department of Food and Public Distribution

While deposing before the Committee, the Secretary, Department of Food and Public Distribution stated as under:-

'The first most important point that comes to my mind is the survey and the identification of the beneficiaries. We are in constant touch with the Department of Rural Development and also the Department of Housing and Poverty Alleviation. We keep on writing to them and keep on meeting them. We were told that January 2012 is the deadline but later on we were told that probably by the end of July it will be completed. Frankly speaking even if you ask me today I am not hundred per cent sure whether it will be able to complete the exercise by July even.'

The Secretary further elaborated the issue as below:-

I would like to inform that the Government is conducting a Socio Economic Caste Census which *inter-alia* consists a BPL Census in rural and urban areas of the country. The Ministry of Rural Development is coordinating this ongoing SECC and surveying all rural households in the country to collect information on a number of socio economic indicators. As per the Joint Statement issued by the Deputy Chairman of the Planning Commission and the Minister of Rural Development, the methodology for determining the eligibility and entitlement of rural households for different Central Government progrommes will be determined after this survey results are available and have been analyzed. An Expert Committee will be appointed to ensure that this methodology is consistent with the provisions of the Food Security Bill. The final picture on this issue of identification of beneficiaries will emerge only after this process is over.'

## Recommendation of the Committee

2.12 The Committee note that identification of households within the States shall be done by the State Governments or such other agency as may be decided by the Central Government, in accordance with the guidelines to be prescribed by the Central Government. For identification of beneficiaries, the Ministry of Rural Development in rural areas and the Ministry of Housing and Urban Poverty Alleviation in urban areas in coordination with the Planning Commission are carrying out the Socio-Economic Caste Census (SECC, 2011). The eligibility and entitlement of rural households for different Central Government Programmes and Schemes will be determined after the Socio-Economic Caste Census

(SECC, 2011) Survey results are available and analyzed. After SECC, 2011 is completed, an Expert Committee will be appointed to ensure that the methodology for identification of beneficiaries is consistent with the provisions of the Food Security Bill as it finally emerges. The Committee are pained to note that so far only about 68 per cent survey is completed and there is no time frame within which the survey will be completed. The Committee, therefore, strongly recommend that the work relating to the Socio-Economic Caste Census, 2011 should be expedited and completed without any further delay.

The Committee further note that for identification of beneficiaries, the Bill prescribes exclusion criteria, inclusion criteria and automatic deprivation indicators which is very confusing. Further, the inclusion and exclusion criteria are not clearly defined in the Bill and the guidelines for the same are vet to be prescribed by the Government. The Committee also note that the Bill does not prescribe any scientific or established mechanism for identification of beneficiaries and the multiplicity of categories such as priority households, general households, persons living in starvation, special groups, destitute persons, homeless persons, etc. is bound to lead to several identification errors. Further, the Committee have also received the suggestions from Ministries/State Governments/Experts to include various categories of persons such as SCs/STs, disabled persons, widows/female headed households, etc. for inclusion as the beneficiary. The Committee feel that it is not desirable to have multiple categories as mentioned above for inclusion in the Bill which is bound to complicate the identification process. The Committee, therefore, desire that the identification process should be fair, transparent, logical and based on a sound rationale. The Committee accordingly recommend that the Government may consider devising a clearly defined criteria in consultation with the State Governments for exclusion of 25% population in rural and 50% population in urban areas and the rest of the population i.e. 75% population in rural areas and 50% population in urban areas should uniformly get the entitlements without any distinction.

## C. PRODUCTION AND PROCUREMENT OF FOODGRAINS

2.13 In order to meet enhanced requirement of foodgrains under the proposed National Food Security Bill, increasing the production and procurement of foodgrains is essential. Implementation of the proposed Food Security Act would also mean raising the annual procurement level to about 65 million tonnes. Majority of this increase in production and

procurement of foodgrains will have to come from the non-traditional procuring States, particularly in the eastern States since production and procurement in the major procuring States viz. Punjab, Haryana, Andhra Pradesh and Western UP has already reached a saturation stage as most of the marketable surplus of foodgrains is being already procured in these States. Hence, to meet the additional requirement of foodgrains, procurement will have to be increased from the emerging procuring States. Of the newly emerging procurement States, Chhattisgarh has emerged as a large contributor of rice while Madhya Pradesh and Odisha are also giving large surplus of foodgrains to the Central Pool. Efforts are required to increase productivity/yield of rice and wheat in deficit States, especially in eastern States coupled with increase in the usage of fertilizers/irrigation facilities to improve marketable surplus.

- 2.14 When asked about the measures taken by the Government to increase production of foodgrains, the Ministry of Agriculture stated that a special scheme namely 'Bringing Green Revolution to Eastern India' was launched by the Ministry of Agriculture to enhance rice production and productivity in eastern parts of the country. To enhance procurement, the non-traditional procuring States need to strengthen their procurement machinery by creating suitable institutional mechanism and by adopting the Decentralized Procurement System (DCP) and by leveraging Food Credit Facilities offered by Reserve Bank of India and the consortium of Banks. These States also need to step up rice milling facilities to encourage procurement.
- 2.15 The Committee have been informed that the Ministry of Agriculture (Department of Agriculture and Cooperation) had suggested to the Department of Food and Public Distribution during consultation process that to ensure sustainable availability of needed quantities of foodgrains, it should be the responsibility of the Central and State Governments to progressively realize revitalization of agriculture in a holistic manner in coordination with other concerned Ministries and State Governments through assured funding and policy support, among others, the following:-
  - (a) Agrarian reforms through measures for securing interests of small and marginal farmers;
  - (b) Increase in investments in agriculture, including in research and development, extension services, micro and minor irrigation and power;
  - (c) Ensuring remunerative prices, credit, irrigation, power, crop insurance, etc;
  - (d) Prohibiting unwarranted diversion of land and water from food production;

- 2.16 It further stated that Agricultural production is the most important component in the Food Security and deserves much more attention than it receives today. As on today, plan allocation in Agriculture Sector is not commensurate with future requirements. The allocation is just 30% of the total food subsidy and with food security act; it will be reduced to less than 25% of the total food subsidy. Though the proposed draft does mention about the revitalization of Agriculture, there is a need to increase the investment in agriculture sector for ensuring the right to food to all citizens.
- 2.17 The Committee desired to know whether the Department of Food and Public Distribution will be able to meet the foodgrains requirement under the National Food Security Bill at the current level of procurement, the Department informed that the requirement of foodgrains under the National Food Security Bill in 2012-13 will be only marginally higher than the estimated requirement under Targeted Public Distribution System (TPDS) and Other Welfare Schemes (OWS). Even the projected requirements of foodgrains in subsequent years, which take into account the increase in population, are well within the level of procurement of wheat and rice achieved in recent years.
- 2.18 The Department of Food and Public Distribution further informed that the highest level of procurement of wheat and rice achieved in any year upto 2009-10 was 59.5 million tons in 2008-09. In the last two years, however, the procurement has reached record levels. In the year 2010-11, the procurement reached 62.5 million tons which was 34.2% of the production. Procurement of wheat and rice during 2011-12 has been 73.2 million tons, which is about 37% of the production. Though the Long Term trend in procurement has been lower, the average annual procurement as percentage of production during recent years has been above 30%. The average annual procurement has increased from 38.22 million tons i.e. 24.3% of the average production, during 2000-01 to 2006-07 to 56.99 million tons during 2007-08 to 2010-11 i.e. 32.2% of the production. As mentioned above, procurement in 2011-12 has reached 37% of the production of wheat and rice. Therefore, it would be possible to meet the foodgrain requirement under NFSB at the current level of procurement. Nonetheless, this level of procurement will have to be sustained. As the traditional States for procurement such as Punjab and Haryana have reached a level of saturation, the focus is now on diversifying it to other States especially in Eastern India such as Assam, Bihar, Jharkhand, West Bengal and Uttar Pradesh. The Government is also taking other steps, such as increase in MSP, encouraging States to adopt Decentralized Procurement Scheme, etc., to increase the level of procurement.
- 2.19 When asked the action taken for enhancing procurement of foodgrains for the implementation of the National Food Security Bill, the Ministry stated that the Central Government extends price support to paddy and wheat

through the FCI and State Agencies. All the foodgrains conforming to the prescribed specifications offered for sale at specified centers are bought by the public procurement agencies at the Minimum Support Price (MSP). The farmers have the option to sell their produce to FCI/State Agencies at the MSP or in the open market as is advantageous to them.

2.20 Before the start of every marketing season, Department of Food and Public Distribution convenes a meeting of State Food Secretaries, Food Corporation of India and other stakeholders to prepare a detailed action plan for making the arrangements of procurement in the coming marketing season. Details of number of procurement centres to be opened and arrangements like purchase of packaging material and storage space are discussed in the meeting.

2.21 Sufficient number of procurement centres are opened by FCI/ State Government agencies in mutual consultation before onset of procurement season, keeping in view the procurement potential and geographical spread of the State concerned. Review is made from time to time on the need for additional procurement centres, if any, during the procurement season and required additional procurement centres are also opened. Instructions have been issued to FCI and states to open procurement centres at locations convenient to farmers where they could bring their produce for government procurement.

2.22 The commission charges for procurement by cooperative societies and self help groups has been increased to 2.5% of Minimum Support Price (MSP) since 2009-10 to encourage procurement from small and marginal farmers especially in States where marketing infrastructure is not well developed. This measure will help increase the reach of MSP to farmers particularly for small and marginal farmers.

2.23 State Governments are encouraged to adopt Decentralized Procurement System (DCP) of procurement so as to maximize procurement and increase the reach of MSP operations. Under this system, State Governments undertake procurement and distribution of foodgrains by themselves. Procured quantities in excess of State's requirement is taken in the Central Pool for distribution elsewhere, while shortfall is met from the Central Pool. The DCP system was introduced in the year 1997. The States which have adopted DCP system of procurement for paddy/rice are Chhattisgarh, Odisha, West Bengal, Tamil Nadu, Uttarakhand, Kerala, Karnataka, A&N Islands and Madhya Pradesh. Uttarakhand, Gujarat, Chhattisgarh, Madhya Pradesh and West Bengal are DCP States for Wheat. Government of Andhra Pradesh has agreed to adopt DCP mode of procurement from KMS 2012-13 onwards.

# 2.24 Summary of views/suggestions placed before the Committee

**State Government of Assam** – At present, FCI is procuring paddy from the State. The State Government is considering setting up of a Civil Supplies Corporation, which will deal with the procurement of foodgrains in the State.

Mr. Jeane Dreze, Hon. Professor, Delhi School of Economics and Ms. Reetika Khera, Asst. Professor, IIT, Delhi – The circumstances are really very good for this Bill for a number of reasons. One is that the levels of procurement of food have increased by leaps and bounds. In fact, in the last 20 years, food procurement has increased by about five per cent per year. What has happened in the last few years is that the distribution has not kept up with procurement and this is the main reason for this enormous increase in food stocks. I am sure you all know that the food stocks have now crossed 80 million tonnes which is totally unprecedented. So, it is very urgent to make use of these resources that are available.

#### Recommendation of the Committee

2.25 The Committee note that in the year 2010-11, the procurement of wheat and rice was 62.5 MTs i.e. 34.2% of the production. The procurement reached to 73.2 MTs in 2011-12 which is about 37% of the production. The average annual procurement has increased from 38.22 MTs during 2000-01 to 2006-07 to 56.99 MTs during 2007-08 to 2010-11 i.e. 32.28% of the production. As such, although at the current level of procurement of 37% of the production of wheat and rice, it would be possible to meet the foodgrains requirement under the National Food Security Bill, it also implies that the average annual procurement level will have to be sustained in order to meet the foodgrains requirement in the years to come. The Committee also note that production and procurement in major procuring States viz. Punjab, Haryana, Andhra Pradesh, Western U.P. has already reached a saturation stage and additional requirement of foodgrains will have to be procured from the emerging procuring States e.g. Chattisgarh, which has emerged as a large contributor of rice and Madhya Pradesh and Orissa, which are giving large surplus of foodgrains to the Central Pool. The Committee further note that to enhance rice production and productivity in eastern parts of the country, the Ministry of Agriculture has launched a special scheme namely 'Bringing Green Revolution to Eastern India'. Further, the Government is taking other steps such as increase in MSP, increase in the commission charges for procurement by the cooperative societies and self-help groups to 2.5 per cent of MSP since 2009-10 to encourage procurement from small and marginal farmers, and encouraging States to adopt Decentralized Procurement Scheme, etc. While endorsing the views of the Ministry of Agriculture that agriculture production is the most important component of the food security, the Committee feel that for revitalization of agriculture, the plan allocation for agriculture should be in commensurate with the future requirements. The Committee, therefore, desire the Ministry of Consumer Affairs, Food and Public Distribution to take up the matter in consultation with the Ministry of Agriculture with the Planning Commission for higher allocation of funds for the agriculture sector.

The Committee, however, are disturbed to note that the DCP Scheme that was launched in 1997 has been adopted by very few States till now and the majority of the States are yet to adopt the scheme. The Committee feel that in order to enhance procurement, the non-traditional procuring States need to strengthen their procurement machinery by creating suitable institutional mechanism and by adopting the Decentralized Procurement Scheme (DCP) and also by leveraging food credit facilities offered by Reserve Bank of India (RBI) and the consortium of banks. The Committee also wish to emphasize that continuous and vigorous efforts need to be taken not only to maintain the level of production and procurement of foodgrains but also to enhance the same in the years to come so that the implementation of the National Food Security Bill does not suffer due to shortage of foodgrains. The Committee, therefore, recommend that the Department of Food and Public Distribution in consultation with the Ministry of Agriculture take pro-active steps to ensure that the production and procurement of foodgrains keeps pace with the requirements under the National Food Security Bill.

#### D. STORAGE OF FOODGRAINS

2.26 For the successful implementation of the National Food Security Bill, availability of adequate and proper storage facilities for foodgrains in all parts of the country is essential. The Committee, therefore, enquired about the total storage capacity available in the country at present as well as the additional storage capacity that would be required in pursuance to implementation of the National Food Security Bill. In response, the Department of Food and Public Distribution has stated that the total storage capacity available with FCI as on 30.11.12 is 373.43 Lakh MT which includes covered, CAP, owned and hired capacity. The bifurcation is given as below:

|        | Covered |        |       | CAP   |       | Grand Total |
|--------|---------|--------|-------|-------|-------|-------------|
| Owned  | Hired   | Total  | Owned | Hired | Total | _           |
| 130.12 | 205.66  | 335.78 | 26.37 | 11.28 | 37.65 | 373.43      |

2.27 Besides, various agencies of State Governments have a storage capacity of 341.35 lakh MT (Covered capacity-194.17 LMT and CAP-147.18 LMT) for storage of central pool stocks. Thus, the total storage capacity available with FCI and State agencies for Central Pool Stocks is 714.78 lakh MT. The stock holding under central pool (Wheat + Rice) is 682.59 lakh MT as on 01.12.12. This includes rice approx. 150.04 lakh MT which is in the form of Paddy (to be milled from 223.94 lakh MT Paddy @67% output). This (150.04 lakh MT) paddy is mainly stored with the rice millers.

2.28 Main functions of FCI are Procurement, Maintenance of Buffer Stocks and Distribution of food grains as per PDS and other welfare scheme requirements. For the last five years procurement is much more than the requirement under Buffer Stocks plus Distribution of food grains for PDS and other welfare schemes. Therefore, main concern presently is the sufficiency of storage capacity for the procured food grains, which is sufficient/ manageable as detailed in the Para above.

| As on       | В    | uffer Norr | ns    | Strategie | Strategic Reserve |     |
|-------------|------|------------|-------|-----------|-------------------|-----|
| _           | Rice | Wheat      | Total | Rice      | Wheat             | •   |
| 1st April   | 122  | 40         | 162   | 20        | 30                | 212 |
| 1st July    | 98   | 171        | 269   | 20        | 30                | 319 |
| 1st October | 52   | 110        | 162   | 20        | 30                | 212 |
| 1st January | 118  | 82         | 200   | 20        | 30                | 250 |

2.29 However, the storage capacity available with FCI is concentrated mainly in the procuring hub located in the Northern Zone. The Northern Zone has about 58% of the total available storage capacity; the Southern Zone has about 20%, Western Zone has about 13%, Eastern Zone has only about 7% and North-Eastern Zone has less than 1% of the total available storage capacity. As stated above, around 65% of the storage capacity is concentrated in 5 major procuring States *i.e.* Punjab, Haryana, Uttar Pradesh, Andhra Pradesh and Chhattisgarh, while about 9% storage capacity is available in the five newly emerging procuring States of Bihar, Orissa, Jharkhand, West Bengal and Madhya Pradesh. As Government of India has initiated an ambitious programme of extension of green revolution to Eastern States, this has become an area of concern. FCI has concentrated on augmentation of storage in the eastern states and newly emerging procuring states *e.g.* M.P., Bihar, U.P., West Bengal and Jharkhand etc. Only 26% of total storage capacity is available in the consuming States.

- 2.30 As on today, some of the States have got storage capacities of less than one month of their requirement *e.g.* Jharkhand & Himachal Pradesh, while some other States, especially North Eastern Region have got storage capacities of less than 2 months' requirement. However, capacity augmentation of these states through PEG and Plan Scheme has attained high focus by Ministry of Consumer Affairs, Food & Public Distribution and FCI.
- 2.31 As regards requirement of additional storage capacity, the Department stated that overall storage requirements are based on the procurement and stock levels, which are already at a very high level. If the existing level of procurement of foodgrains is sustained, the requirement of foodgrains under NFSB can be met. Accordingly, it is expected that storage requirement may not undergo a major change with the implementation of the Food Security Bill. Necessary steps, are however, already being taken to augment the storage capacity so as to reduce dependence on CAP storage.
- 2.32 It is further been informed that the Department is in the process of augmenting the storage capacity for foodgrains in the country based on the 4 months requirement of PDS and other welfare schemes in a consuming area. For the procurement areas, the highest stock levels in the last three years are considered to decide the storage capacity required. On these principles, the Government formulated the Private Entrepreneurs Guarantee (PEG) Scheme in 2008, to increase the covered storage capacity in the country.
- 2.33 In order to create more storage facilities there is a proposal to augment 5,88,360 MT capacity Food Grain Godown by FCI during 12th Five Year Plan (2012-17). This includes 5,37,140 MT alone in North East Areas and 51,220 MT capacity in the areas other than North East. Out of this, a capacity of 4570 MT has already been completed during Financial Year 2012-13 as on 30.11.12. The details of State wise capacity to be created is given as under:

| Name of State     | Proposed Capacity in MT |
|-------------------|-------------------------|
| Assam             | 347000                  |
| Arunachal Pradesh | 19370                   |
| Manipur           | 40410                   |
| Meghalaya         | 35000                   |
| Mizoram           | 20000                   |
| Nagaland          | 15000                   |
| Tripura           | 45000                   |
| Sikkim            | 15000                   |
| Orissa            | 10000                   |

| Name of State     | Proposed Capacity in MT |
|-------------------|-------------------------|
| Maharashtra (Goa) | 20000                   |
| Kerala            | 10000                   |
| Himachal Pradesh  | 11220                   |
| Total             | 588360                  |

- 2.34 In its meeting held on 07.02.2012, EGoM approved the proposals for the creation of 20 lakh MT capacity in the form of Silos throughout the country. These 20 LMT Silos would be created against the capacity approved/storage gap already assessed under the PEG Scheme (*i.e.*181.08 LMT). The Board of Directors of FCI in its 344th meeting held on 20.03.2012 finalized the State wise distribution of capacities of 20 lakh MT of Silos. On the recommendations of State Level Committees (SLC) on location of Silos, Board of Directors of FCI in the meeting held on 19.07.2012 has approved the locations of Silos.
- 2.35 The Department further stated that under PEG Scheme, a capacity of 181.08 lakh MTs is being created in 19 States through private entrepreneurs and Central and State Warehousing Corporations. FCI has already sanctioned a total storage capacity of about 130 lakh MTs out of which a capacity of about 96 lakh MTs has been sanctioned to the private entrepreneurs. CWC and SWCs have been sanctioned 6.5 lakh MTs and 27.5 lakh MTs respectively. A capacity of about 60 lakh MTs is under construction. At present, about 38 lakh MTs have been completed out of which 26 lakh MTs has been taken over and the balance is expected to be taken over shortly. It is expected than by March 2013, a cumulative capacity of 73 lakh MTs will be completed and take over under the scheme. A capacity of 20 lakh MTs of storage capacity will be constructed in silos in 10 States within the overall sanctioned capacity of the PEG Scheme.
- 2.36 This Department has also finalized a Plan Scheme to create a storage capacity of 5.74 lakh MT (5.34 lakh MT for North East Region and 40,000 MT for other than NE) at a cost of Rs. 551.50 crores under 12th Five Year Plan. The State Governments have also been requested for creation of intermediate storage space for usage by the States for storage of foodgrains after taking over stocks from FCI and before distributing it to TPDS beneficiaries through Fair Price Shops.

# 2.37 Summary of views/suggestions placed before the Committee

**State Government of Andhra Pradesh** – In addition to the existing godown space, there is need for construction of godowns for implementing the National Food Security Bill successfully. The Government of India has, therefore, been requested to meet the additional expenditure to a tune of Rs. 500 crores for creating additional scientific storage facility at different levels.

**State Government of Assam –** There is a lack of requisite infrastructure with State Government such as lack of storage facility, absence of Civil Supplies Corporation, skilled manpower shortage, transportation problems, fund constraints etc. The State Government has identified a gap of 4 lakh MT of foodgrains storage facilities. FCI has prepared a plan for creation of 3.40 lakh MT.

**State Government of Odisha** – Even though the storage space available for rice is inadequate, depots are being constructed and State hopes to create sufficient storage space in next two years time.

## Recommendation of the Committee

2.38 The Committee note that the storage capacity, both covered and CAP, available with FCI (owned and hired) as on 30.11.2012 was 373.43 lakh MTs. The total storage capacity available in the country including the capacity owned by Central Warehousing Corporation (CWC), State Warehousing Corporations (SWCs) and other agencies put together is 716.60 lakh MTs. The Committee have been informed that if the existing level of procurement of foodgrains which is already at a very high level, is sustained, the requirement of storage of foodgrains under National Food Security Bill can be met. However, the Department is in the process of augmenting the storage capacity for foodgrains in the country based on 4 months requirement of PDS and other welfare schemes. In order to build additional storage capacity, the Government has formulated Private Enterpreneurs Guarantee Scheme (PEG) 2008 under which a capacity of 181.08 lakh MTs is being created in 19 States for which FCI has already sanctioned a total storage capacity of about 128.05 lakh MTs. CWC and SWCs have been sanctioned 6.6 lakh MTs and 27.9 lakh MTs, respectively. Further, a capacity of 20 lakh MTs will be constructed in silos in 10 States within the overall sanctioned capacity of the PEG Scheme. The Department has also finalized a plan scheme to create storage capacity of 5.76 lakh MTs at a cost of Rs. 551.50 crores under the Twelfth Five Year Plan and it is expected that by March, 2013, a cumulative capacity of 73 lakh MTs will be completed and taken over under the PEG Scheme. The Committee are happy to note that the Government is taking pre-emptive steps to increase the storage capacity of foodgrains in the country in anticipation of the National Food Security Bill, 2011. However, the Committee are constrained to observe that huge amount of foodgrains are damaged every year due to lack of proper and scientific storage capacity available in the country. The Committee while appreciating the efforts made by the Government, strongly recommend that the Government should impress upon the FCI, CWC, State Governments, etc to cooperate and coordinate with each other and make every effort to create scientific

storage capacity not only in procuring States but also in consuming States and other parts of the country for the smooth implementation of the National Food Security Bill, 2011.

#### E. MOVEMENT AND DISTRIBUTION OF FOODGRAINS

2.39 The efficient movement and distribution of foodgrains is very essential for the successful implementation of the National Food Security Bill, 2011. In this context, the Department of Food and Public Distribution has informed the Committee about the existing arrangements for movement and distribution of foodgrains as below:-

# Movement of Foodgrains

- 2.40 Under the existing arrangement, the Central Government co-ordinates and monitors the movement of foodgrains from surplus regions to deficient areas *vis-a-vis* available storage capacity, procurement, stocks, allocation and off-take of foodgrains. FCI undertakes the activities connected with the movement of the foodgrains for PDS and other welfare schemes. Optimum evacuation of foodgrains from procuring regions and induction and stocking of foodgrains in consuming regions, specially, the North-Eastern States, Jammu & Kashmir and other areas, identified from time to time, is monitored.
- 2.41 Daily movement of rakes is monitored by FCI for better streamlining the process of movement at Regional Offices/Zonal Offices of receiving/dispatching regions and Headquarters level. Meeting with the Railways at various levels are held regularly in order to ensure availability of rakes to transport foodgrains stocks for Targeted Public Distribution System (TPDS) and other welfare schemes.
- 2.42 Food Corporation of India (FCI) is the Central Government agency involved in inter-state transportation (movement) of foodgrains. 90% of the inter-State movement is carried out by Railways. Besides, movement of foodgrain is undertaken by rail, road and riverine routes. Some quantity is moved by road to Himachal Pradesh and parts of Jammu & Kashmir, Delhi, Uttarakhand and North-East States. A small quantity is moved by ships to Lakshadveep and Andaman and Nicobar Islands.
- 2.43 The purpose of inter-State movement is to make foodgrains available in all States at all the linked depots for every district and principle distribution centres (PDCs) in hilly States across the country for issuing foodgrains under TPDS and other welfare schemes run by the Government of India. From thereon *i.e.* from the linked depot/PDCs, the responsibility of transporting

or movement of foodgrains to Fair Price Shops (FPSs) lies with the State Government agencies as the last leg of transportation from depot onwards and distribution to end consumer through FPSs are the responsibility of State Governments.

2.44 The Department further stated that the procedure followed for movement of foodgrains is as under:-

The movement of foodgrains is planned by FCI on a monthly basis keeping in view the requirement of various States, storage capacity available in the consuming States, stocks available in the procuring States and likely procurement etc. The Department of Food and Public Distribution monitors the availability of foodgrain stocks in various States vis-a-vis monthly requirement under TPDS and other Welfare Schemes. In case of shortfall in availability of foodgrains in any States, FCI is advised to step up induction of foodgrains into the State.'

- 2.45 FCI plans movement of foodgrains every month after considering following factors for surplus and deficit regions:
  - (i) Stocks available in surplus regions;
  - (ii) Demand by deficit regions;
  - (iii) Likely procurement;
  - (iv) Storage capacity available;
  - (v) Monthly allocation/off-take.
- 2.46 Once the movement planning for a given month is finalized at FCI, it is passed on to Railways. Then the supply of rakes between various pair of dispatching stations and receiving stations (*i.e.* for the destinations worked) is followed up with Railways constantly at all levels right from loading stations to the Railway Board through co-ordination with officers at all levels in the Railways. All efforts are made to transport as much quantity as planned through continuous monitoring.
- 2.47 Apart from inter-state movement, intra-regional movement is also undertaken through Rail and Road as per local requirements in the States, viability and cost effectiveness. In the past more than 90% of stocks were moved Ex-North as procurement was largely concentrated in northern States like Punjab and Haryana. However, with the expansion of procurement in Andhra Pradesh, Chhattisgarh, Orissa, West Bengal and Madhya Pradesh, surplus rice and wheat are also available in these States. Therefore, at present, movement Ex-North is 63% and other than North is 37% of total movement. The All India movement since the year 2006-07 to 2012-13 is given below:-

(Fig. in LMT)

| Year     | Inte   | er-State Mo | ovement | Intra-Stat | te Grand |
|----------|--------|-------------|---------|------------|----------|
|          | Rail   | Road        | Total   | Movemen    | nt Total |
| 2006-07  | 203.25 | 18.45       | 221.7   | 19.6       | 241.3    |
| 2007-08  | 203.98 | 17.81       | 221.79  | 20.76      | 242.55   |
| 2008-09  | 204.6  | 20.57       | 225.17  | 25.25      | 250.42   |
| 2009-10  | 249.18 | 26.65       | 275.83  | 27.86      | 303.69   |
| 2010-11  | 279.65 | 25.64       | 305.29  | 29.65      | 334.94   |
| 2011-12  | 303.23 | 24.54       | 327.77  | 40.17      | 367.94   |
| 2012-13* | 113.82 | 9.19        | 123.01  | 23.73      | 146.74   |

(\*upto Aug. 2012)

2.48 The Committee enquired as to what is the estimated requirement of rakes in pursuance to the implementation of the Bill, total rakes demanded by FCI *vis-a-vis* rakes provided by Railways to FCI during the last three years and the reasons of Railways for not being able to provide the number of rakes required by FCI. In response, the Department of Food and Public Distribution stated that FCI along with other State agencies procured around 630 lakh MTs of wheat and rice during 2011-12. About 563 lakh MTs of foodgrains was distributed during 2011-12. With the increased allocations by the Government of India following the implementation of the National Food Security Bill, this may go up to 610 lakh MTs per year. Accordingly, the requirement of rakes will increase by about 20% *i.e.* about 15500 rakes would be required by FCI. The details of total number of rakes demanded by FCI *vis-a-vis* rakes provided by Railways to FCI during the last three years is as given below:-

| Year             | No. of rakes   | Actual No. of rakes supplied |
|------------------|----------------|------------------------------|
|                  | planned by FCI | by Railways                  |
| 2010-11          | 13003          | 10607                        |
| 2011-12          | 13215          | 10969                        |
| 2012-13          | 6696           | 5912                         |
| (upto Oct. 2012) |                |                              |

- 2.49 The reasons cited by Ministry of Railways for not providing the required number of rakes to the Department or the FCI is as given below:-
  - (i) Limited line capacity and availability of wagons.
  - (ii) Competing demand for other commodities like fertilizer, cement during busy season.
  - (iii) Lack of infrastructure at loading and unloading Stations.

- (iv) At times, rakes availability is affected due to foggy weather, bandhs etc.2.50 The various problems being faced by FCI with Railways which is adversely affecting the movement of foodgrains are as under:-
  - (i) Non-supply of adequate number of rakes as per FCI's demands— Railways are not providing adequate number of rakes as per the movement plan of FCI. The shortfall in supply of rakes by the Railways invariably takes place in their Busy Season i.e. from November to March every year.
  - (ii) Insufficient supply of rakes under two point combinations There are a large number of railheads in Kerala, jharkhand and Bihar, which can accommodate only half rakes and are approved by the Railway Board for loading under two-point combinations. But during the period from November to March every year, all the Zonal Railways stop sponsoring programs for movement of rakes under two point combination which leads to depletion of stocks at various centers in Kerala, jharkhand and Bihar.
  - (iii) Non-availability of basic infrastructural facilities There are large number of railheads which lack the basic infrastructure facilities like proper lighting, covered shed, approach road, proper platforms, drinking water etc. Most of the goodsheds do not have platforms and covered shed which causes a huge difficulty in unloading of stocks especially during rainy season.
  - (iv) Penal Demurrage Railways impose penal demurrage for ensuring quick release of rakes. On one hand, Northern Railway violates the weekly priorities in loading of rakes and on the other hand, the Zonal Railways of receipient ends impose demurrages and even penal demurrages on detention of rakes at various destinations for which FCI is not at all at a fault.

#### Recommendation of the Committee

2.51 The Committee note that the Central Government coordinates and monitors the movement of foodgrains from surplus regions to deficient areas and Food Corporation of India (FCI) is the Central Government agency involved in movement of foodgrains. Movement of foodgrains is planned by the Food Corporation of India (FCI) on a monthly basis keeping in view the requirement of various States, storage capacity available in the consuming States, stocks available in the procuring States, likely procurement, demand by deficit region and monthly allocation/offtake, etc. The Committee have been informed that 90 per cent of the Inter-State movement of foodgrains of FCI

is carried out by the Railways. Some quantity is moved by road to Himachal Pradesh, parts of Jammu & Kashmir, Delhi, Uttarakhand and North-Eastern States and a small quantity is moved by ships to Lakshadweep and Andaman & Nicobar Islands. The purpose of Inter-State movement is to make available foodgrains in all States in all the linked depots for every district and principal distribution centres in hilly States across the country. Intra-State movement of foodgrains is also undertaken through rail and road as per local requirement in the States, viability and cost effectiveness. The Committee also note that in case movement of foodgrains is affected due to inadequate supply of rakes or imposition of restriction by Railways, the Department of Food and Public Distribution takes up the issue with the Ministry of Railways and with a view to improving efficiency in movement of foodgrains, arrangement for regular review of movement of foodgrains is being set up. The Committee note that following the implementation of the National Food Security Bill, the quantity of foodgrains required to be moved from procuring States to consuming States would increase considerably and the requirement of rakes therefor will increase by about 20%. The Committee, therefore, recommend that the Department of Food and Public Distribution and the Ministry of Railways should evolve a mechanism whereby the issue of providing additional rakes to FCI is sorted out and the monthly plan for movement of foodgrains by FCI is executed in a smooth and efficient manner.

The Committee further note that the Ministry of Railways are not able to provide the required number of rakes to the FCI due to limited line capacity and availability of wagons, competing demand for other commodities like fertilizer, cement during busy season, lack of infrastructure at loading and unloading Stations and at times, rakes availability is affected due to foggy weather, bandhs etc. which adversely affects the functioning of FCI in movement of foodgrains. The Committee also note that Railways impose penal demurrage on FCI for detention of rakes at various destinations due to lack of infrastructure for which FCI is not at fault. The Committee also note that the Ministry of Railways accord 'B' priority to the movement of foodgrains which is the next priority given for Military movement. While appreciating this, the Committee desire that the Ministry of Railways should take urgent steps to improve the basic infrastructural facilities at those railheads which lack such facilities like proper lighting, covered sheds, approach roads and proper platforms etc., so as to facilitate the unloading of stocks. They may also consider to supply sufficient number of rakes under two point combinations in States like Kerala, Jharkhand and Bihar for smooth movement of foodgrains. The Committee further recommend that the Department of Food and Public Distribution, Food Corporation of India and the Ministry of Railways may evolve a mechanism whereby the problems of supply of rakes, levying of demurrage charges etc. could be reviewed and sorted out on a regular basis.

#### F. DISTRIBUTION OF FOODGRAINS

2.52 With a view to specifically target poor sections of society, Targeted Public Distribution System (TPDS) was launched in 1997. Under TPDS, foodgrains @ 35 kg. per family per month are allocated by the Central Government to States/Union Territories for 6.52 crore accepted number of Below Poverty Line (BPL) families including 2.43 crore Antyodaya Anna Yojana (AAY) families for distribution at subsidized prices through Fair Price Shops. Allocation of foodgrains to 11.5 crore Above Poverty Line (APL) families is made depending upon the availability of foodgrains in the central pool and past offtake. Presently, the allocation of foodgrains to APL families ranges between 15 and 35 kg. per family per month.

2.53 TPDS is operated under the joint responsibility of the Central and the State/Union Territory (UT) Governments. Central Government is responsible for procurement, allocation and transportation of foodgrains upto the designated depots of the Food Corporation of India. The operational responsibilities for allocation and distribution of foodgrains within the States/UTs, identification of eligible Below Poverty Line (BPL) families, issuance of ration cards to them and supervision over and monitoring of functioning of Fair Price Shops (FPSs) rest with the concerned State/UT Governments.

2.54 In order to maintain supplies and securing availability and distribution of essential commodities under the PDS, the Public Distribution System (Control) Order, 2001 has been notified on 31.08.2001. States/UTs have also notified their respective PDS (Control) Orders for identification of eligible Below Poverty Line (BPL) families, issue of distinctive ration cards to APL, BPL & AAY families, issuing licenses to FPSs dealers, monitoring the functioning of FPSs, etc.

## Recommendation of the Committee

2.55 The Committee note that implementation of the Targeted Public Distribution System (TPDS) is a joint responsibility of the Central and the State/UT Governments. The Central Government is responsible for the procurement, allocation and transportation of foodgrains up to the designated depots of the FCI. Allocation and distribution of foodgrains within the States/UTs including identification of eligible beneficiaries,

issue of ration cards to them and supervision over and monitoring of functioning of Fair Price Shops (FPSs) are the responsibilities of the concerned State/UT Government. The Committee also note that the PDS (Control) Order, 2001 was notified on 31st August, 2001 in order to maintain supplies and securing availability and distribution of essential commodities under the Public Distribution System (PDS). The States/UTs have also notified their respective PDS Control Orders. The Committee feel that strengthening and streamlining the process of distribution of foodgrains under PDS is essential for the effective implementation of the National Food Security Bill. The Committee, therefore, recommend that the Department of Food and Public Distribution should make all possible efforts to persuade the State/UT Governments to strengthen their distribution network and effectively implement the PDS Control Orders in their respective States/UTs in order to ensure smooth and effective implementation of the Food Security Bill.

# G. MODERNIZATION/REFORMS IN TARGETED PUBLIC DISTRIBUTION SYSTEM (TPDS)

- 2.56 In a written note furnished to the Committee, the Department of Food and Public Distribution stated that modernization of PDS is the foremost priority of the Central Government. TPDS operates in 35 States/UTs through more than 5 lakh fair price shops across a diverse operating environment. The challenges faced by TPDS are leakages and diversion of foodgrains; inclusion/exclusion errors; fake and bogus ration cards; lack of transparency regarding allocation, off-take, availability of foodgrains at FPS etc.; weak grievance redressal and social audit mechanisms; viability of Fair Price Shops, etc.
- 2.57 The National Food Security Bill (NFSB) would make Right to Food a Legal Entitlement. As per the provisions of NFSB, failure to supply the entitled quantity would entitle the individuals to receive food security allowance. Thus, Modernization of PDS, which is aimed at addressing the challenges of inclusion/exclusion errors and diversion of foodgrains, is a dire need.
- 2.58 For modernizing TPDS, proper identification of beneficiaries and recording of transactions is a must. This requires digitization of beneficiary database, FPS automation, computerization of Supply-Chain and setting up of transparency and grievance redressal mechanisms.
- 2.59 Regarding steps taken by the Government in this regard, it is stated that the Department of Food and Public Distribution has issued detailed guidelines to the Chief Secretaries and Food Secretaries of all the States/UTs

for end to end computerization of PDS which would comprise the following components:

- (i) Digitization of Beneficiary Database;
- (ii) Computerization of Supply-Chain Management from Food Corporation of India (FCI) till Fair Price Shops (FPS);
- (iii) Sale of TPDS commodities at Fair Price Shops including identification and authentication of beneficiaries and recording of transactions and;
- (iv) Transparency and Grievance Redressal Mechanism.
- 2.60 As per these Guidelines, Computerization of the supply chain, digitization of Ration Card database and setting up transparency portal and grievance redressal mechanism would constitute Component 1, while FPS automation is to be taken up as Component 2. The process of digitization of Ration Card database would include a special drive for elimination of fake and bogus Ration Cards and de-duplication of the database. The digitized database is to be placed in the public domain. Computerization of the supply chain would cover tracking of foodgrains up to the Fair price shop level. The transparency and grievance redressal mechanism comprise the setting up of a public information portal, SMS alerts regarding the availability of foodgrains and setting up of toll free numbers for grievances registration and redressal. All States/UTs are required to take the following actions for end to end computerization on top most priority:
  - (i) Implementation of Chhattisgarh model of computerized Supply-Chain Management.
  - (ii) Digitized database of ration cards to be put in the public domain including on the web sites.
  - (iii) Drive be started to eliminate fake and ghost ration cards.
  - (iv) PDS Public Information portal to provide for complete TPDS information.
  - (v) Four digit toll free number in all States/UTs for grievance registration and redressal.
  - (vi) Allocation of foodgrains to reach FPS before 1st day of the month and information thereof be made available on the transparency portal.
  - (vii) Door step delivery of foodgrains for all ration shops in a time bound manner.
  - (viii) Measures to be taken for making FPS financially viable.

2.61 Application Software has been made available to all States/UTs through National Informatics Centre (NIC). NIC was asked to prepare a Detailed Project Report (DPR) in consultation with Food and Civil Supplies Departments of all States/UTs and NIC State units, covering all States/UTs for Component I initially for Computerization of PDS.

## 2.62 Summary of views/suggestions placed before the Committee

Ministry of Finance – Importance of PDS reforms are paramount as the reforms are the main mode by which supply side bottlenecks can be corrected. Further, a suitable provision may be made in the Act that States would undertake the PDS reforms within a stipulated time frame (say 3 years). Thereafter, the entitlement of General Category may be linked to the progress in reforms in TPDS.

Unique Identification Authority of India – TPDS database should be linked with 'Aadhaar' number. 'Aadhaar' based authentication should be used for distribution of ration as it is happening in East Godavari District of Andhra Pradesh.

Creating an Aadhaar linked management information system across the PDS is not an unrealistic goal – different aspects of such reform have been tried across states with some success most notably in Chhattisgarh. The State has implemented end-to-end computerization of the PDS procurement chain. This involved an online registration system for millers of PDS rice, as well as procurement and movement orders that are issued electronically. The Government carries out allocations to FPS shops using the ration cards database and the transmission time for allocations has been cut from three weeks to two hours. Continuous monitoring of sales and stock levels at FPS outlets also ensured in-time stocking of the shops, so that outlets could meet the demand from beneficiaries at all times. In a recent 2009 survey, 92% of respondents in Chhattisgarh reported receiving their full rations without problems.

All India Democratic Women's Association – It does not undertake any clear and time bound obligations for improving the PDS. Two controversial reforms are suggested in sections (c) and (h) regarding linking entitlements to 'Aadhaar' and cash transfers, food coupons and any other schemes initiated by the Central Government.

Mr. Jeane Dreze, Hon. Professor, Delhi School of Economics and Ms. Reetika Khera, Asst. Professor, IIT, Delhi – The other reason why the circumstances are very favourable to the implementation of this Bill is that there have been substantial improvements in the functioning of the Public Distribution System. Many States in recent years I think have really learnt a lot about how the PDS can be improved and made effective. In fact, several

States have very effective Public Distribution System starting of course with Tamil Nadu for many years, but even beyond that, like Andhra Pradesh, Chhattisgarh, even Rajasthan, Orissa, Himachal Pradesh, and so on. There is actually a trend of consolidation and improvement of the Public Distribution System. That trend can be decisively consolidated across the country through this Food Security Bill and it is really an opportunity to eliminate hunger.

## Recommendation of the Committee

2.63 The Committee note that the Government has accorded foremost priority to the modernization of Public Distribution System (PDS) which is currently operating in 35 States/UTs through more than five lakh Fair Price Shops (FPSs) across the country. The Committee also observe that the Department of Food has issued detailed guidelines to the Chief Secretaries and Food Secretaries of all the States/UTs for end-to-end computerization of PDS based on which computerization of supply chain, digitization of ration card data bases, setting up transparency portal and grievance redressal mechanism would constitute Component 1 followed by FPS automation as Component 2. The process of digitization of Ration Card database would include a special drive for elimination of fake and bogus ration cards and deduplication of database. As the National Food Security Bill intends to make right to food as a legal entitlement to identified beneficiaries and keeping in view the fact that there are large scale leakages and diversion of foodgrains, inclusion/exclusion errors of identification leading to issuance of a large number of fake and bogus ration cards and lack of transparency etc. in the existing Targeted Public Distribution System (TPDS), the Committee feel that modernization of PDS is very essential so as to effectively address these challenges. The success stories of some Districts/States in this regard are indeed encouraging. The Committee, therefore, strongly recommend that the Government should make all efforts in close coordination with the State Governments/UTs to complete modernization of PDS in a time bound manner. Thereafter, computerization of supply chain for tracking of foodgrains up to Fair Price Shop level should also be taken up vigorously for effective implementation of the National Food Security Bill.

2.64 The Committee observe that one of the challenges being faced by TPDS is the viability of Fair Price Shops (FPS). With the modernization of TPDS, most of the challenges such as leakages and diversion of foodgrains, inclusion/exclusion errors and lack of transparency regarding allocation and off-take and availability of foodgrains at FPS, etc. will be addressed. The Committee, however, feel that the FPS dealers who play a key role in the distribution of

foodgrains rightfully deserve to be provided a reasonable margin for their sustainability and viability. The operational responsibilities for allocation and distribution of foodgrains within the States/UTs including supervision and monitoring of functioning of FPS rests with the State/UT Governments and the FPS are functioning across the country in a diverse operating environments. The Committee, therefore, feel that it is for the State Governments to suitably increase the FPS dealers margin keeping in view the various factors involved in their functioning. The State Governments, however, may be given the flexibility in fixing the commission of the FPS dealers so as to increase their viability. The Committee have been informed that to make operations of FPS economically viable, the State/UT Governments have been advised to allow FPS licensees to enlarge basket to commodities by allowing sale of non-PDS items for daily use as per local requirements. 13 States/UTs have confirmed that FPS in these States are selling non-PDS items such as edible oil, pulses, milk powder, soap etc. The Committee view this as a positive step and recommend the Government to impress upon the remaining State Governments/UTs that besides considering suitable increase in the commission, to also allow the FPS licensees to enlarge the basket of commodities for sale in order to enhance their viability.

#### H. DIRECT CASH TRANSFERS IN LIEU OF FOOD SUBSIDY

2.65 Clause 18 (2) (h) of the Bill, *inter-alia*, provides for direct cash transfer in lieu of food subsidies to the beneficiaries under the National Food Security Bill, 2011. In this regard, a lot of views/suggestions were received by the Committee, some in favour and many against the provision of direct cash transfer as it would not solve the problem.

# 2.66 Summary of views/suggestions placed before the Committee

Ministry of Finance – The Food Security Bill can be combined with improvements in the system of delivery, in particular, a system of giving the subsidy directly to the beneficiary in the form of direct cash transfers. This would, to a certain extent, avoid putting a heavy burden on the state machinery.

Ministry of Tribal Affairs – It is advisable to arrange for food rather than cash because the aim is food security and money has propensity to get misutilized and will compromise the food security.

**Right to Food Campaign** – Cash transfer should not be introduced because it will not solve problems of identification, leakages of foodgrains,

banking infrastructure is limited, cash does not guarantee food security, no protection from inflation and fluctuation of market prices of food, it will have adverse impact on agriculture etc.

All India Democratic Women's Association – There is no guarantee that cash transfer is free from leakages and pilferage for individual beneficiaries either. The implementation of schemes that are based on cash transfers to bank accounts, such as NREGA, old age pension, widow pension, etc. shows that the problems of corruption and undue delays continue. Any shift to cash transfers would expose the people to the vagaries of prices in the market.

**Smt. Brinda Karat, Ex-M.P. (RS)** – There is no consensus in the country on the issue of cash transfer in lieu of foodgrains. There is also no guarantee that the money will not be used for other non-food expenditures. Cash transfers will also lead to the further weakening of the vast Public Distribution System of over 5 lakh fair price shops which any country should be proud of. Cash transfers instead of the provision of foodgrains could lead to further malnutrition and hunger.

Mr. Jeane Dreze, Hon. Professor, Delhi School of Economics and Ms. Reetika Khera, Asst. Professor, IIT, Delhi – Actually, the Bill has a provision which allows cash transfer. So, there is no need to give any further push. We are quite abreast of it. We have also apprised the Committee about it.

# 2.67 Reply of the Department of Food and Public Distribution

Asked about the pros and cons of Direct Cash Transfer of food subsidy to the beneficiaries, the Ministry stated that the Department proposes to introduce a pilot scheme for direct cash transfer of food subsidy under Targeted Public Distribution System (TPDS) in six Union Territories (UTs). Under the proposed scheme, foodgrains will be issued by Food Corporation of India (FCI) at the economic cost and cash subsidy equal to the difference in the economic cost and present issue price will be credited to the bank account of the beneficiary in advance to enable the beneficiary to purchase the foodgrains at this cost.

The scheme is expected to check leakages/diversion of foodgrains under TPDS. Further, the proposal does not involve dismantling the TPDS as foodgrains shall continue to be distributed to the beneficiaries under TPDS through the Fair Price Shops. No apparent drawback is anticipated at this stage for implementation of the scheme. The scheme details will be finalized in consultation with UTs etc.

#### Recommendation of the Committee

2.68 The Committee note that the Bill inter-alia has provision of direct cash transfer, food coupons or other schemes to the targeted beneficiaries in lieu of foodgrains entitlements. Considering the fact that the existing banking infrastructure and facilities available in the country are not adequate, particularly in rural and remote areas, as well as the views/suggestions expressed by several stakeholders that cash transfer in lieu of food subsidy will not solve the various problems associated with the functioning of PDS, the Committee are of the view that introduction of cash transfer at this juncture may not be desirable. The Committee, therefore, recommend that the Government should ensure that banking infrastructure and accessibility to banking facility are made available in all parts of the country including remote, rural and hilly tribal areas before introducing cash transfer *in lieu* of food subsidy.

#### I. SHARING OF EXPENDITURE

2.69 The Bill under its various clauses provides for cost sharing of expenditure between the Central and the State Governments towards identification of priority and general households, identification of persons living in starvation, payment of food security allowance, establishment of District Grievance Redressal Officer and State Food Commission including payment of salaries and allowances to the staff, creation and maintenance of scientific storage facility at the State, District and Block levels and for setting up of Vigilance Committee at various levels in the States, etc.

# 2.70 Summary of views/suggestions placed before the Committee

State Governments of Andhra Pradesh, Assam, Bihar, Jammu & Kashmir, Madhya Pradesh, Meghalaya, Odisha, Tripura, Uttar Pradesh etc. – The entire cost on implementation of the National Food Security Bill should be borne by the Central Government since it is the Central Government's own policy.

State Governments of Kerala, Rajasthan, West Bengal, Gujarat etc. – The cost on implementation of the National Food Security Bill should be shared by the Central and State Government. The share of State Government should not exceed 20% of the cost.

# 2.71 Reply of the Department of Food and Public Distribution

The implementation of PDS is the joint responsibility of the Centre and the States. Under the Act, foodgrains will be supplied by the Central Government upto the depots designated by the Central Government in each State at highly subsidized prices and the entire subsidy on account of this will be borne by the Central Government. The expenditure on distribution of foodgrains within the States should be borne by States/UTs. A few States are already bearing the transport cost and expenditure of dealer's margin, and are further subsidizing the issue price under PDS. As the Bill is going to be a joint responsibility of Central and State Governments, it is imperative that the States participate in the process actively and share some of the costs.

The Department further stated that though some tentative estimates of the likely additional expenditure to be borne by States/UTs have been worked out, its full extent can be shown only after final shape of the Bill emerges and new schemes for providing meals to vulnerable groups such as destitute and homeless persons, emergency/disaster affected persons and persons living in starvation, including pattern of cost sharing between Central and State Governments, is finalized.

As regards food security allowance, Section 13 of the Bill provides that in case of non-supply of the entitled quantities of foodgrains or meals to entitled persons under Chapters II, III and IV, such persons shall be entitled to receive such food security allowance from the concerned State Government as may be prescribed by the Central Government. However, Section 31 provides that in case of short supply of foodgrains from the central pool to a State, the Central Government shall provide funds to the extent of short supply to the State Government for meeting obligations under Chapters II, III and IV in such manner as may be prescribed by the Central Government. These sections imply that States would have to give food security allowance only in case of non-delivery of entitlements due to deficiency at States' end. In case of failure arising out of short supply of foodgrains by the Central Govt., State Governments will be adequately compensated.

#### Recommendation of the Committee

2.72 Considering the majority views/suggestions received from the various State Governments and also keeping in view the fact that the economic and financial position varies from State-to-State, the Committee are of the strong view that the State Governments may be divided into Category A, Category B and Category C. Those States which are performing financially well may be termed as Category A States and they may bear the entire cost of expenditure as envisaged under the aforesaid provisions of the Bill, both one time and recurring nature, for implementation of The National Food Security Bill. The remaining States may be divided into Category B and C for which the Central Government may provide financial assistance to the extent of 50% to

Category B States and 75% to Category C States for one time capital expenditure to be incurred on creation of infrastructure, constitution of State Food Commission, creation and maintenance of scientific storage up to block levels and setting up of Vigilance Committees at various levels. However, recurring expenditure towards payment of salary and allowances to the Chairman and Members of State Food Commissions and Officers and staff of the District Grievance Redressal Office etc. shall have to be borne by the respective State Governments since they will be the State Government Employees.

The Committee further note that under the existing TPDS, the States/UTs have the freedom to pass on to the APL and BPL beneficiaries the cost incurred on internal transportation of foodgrains and fair price shop (FPS) dealers' margin. In case of AAY households such costs cannot be passed on to beneficiaries.

Presently, while some States are passing on these costs to beneficiaries, States such as Chhattisgarh, Gujarat, Jharkhand, Karnataka, Kerala, Madhya Pradesh, Odisha, Rajasthan, Sikkim, Tamil Nadu, Uttarakhand, West Bengal are not only not passing it on, but are further subsidising the price. The Committee are informed that under the NFSB, States/UTs will not have the flexibility to pass on the cost on transportation and handling of foodgrains and FPS dealers' margin as the Central Issue Price (CIP) and the end price to be charged from the beneficiaries are the same. Keeping in view the additional financial burden on the State Governments due to the proposed Bill, the Committee recommend that the States/UTs may be allowed to pass on the cost of transportation and FPS Dealers' margin to the beneficiaries, if they so desire.

## CHAPTER – III

## CLAUSE-WISE ANALYSIS

## (a) Preparedness of States/UTs

Section 1 (3) - It shall come into force on such date as the Central Government may, by notification in the Official Gazette appoint, and different dates may be appointed for different provisions of this Act.

# 3.2 Reply of the Department of Food and Public Distribution

The National Food Security Bill under Section 1 (3) provides that it shall come into force on such date as the Central Government may by notification appoint in the Gazette and different dates may be appointed for different provisions. This offers flexibility for bringing into force different provisions of the Act from different dates. Similar flexibility is however not available for Act coming into force on different dates in different States, with an outer limit within which all States/UTs will have to implement it.

State Governments will be required to take various preparatory steps for proper implementation, which will include Identification of beneficiaries, issue of ration cards and strengthening of required infrastructure in terms of Fair Price Shops, godown facility etc.

#### Recommendation of the Committee

3.3 As preparedness to implement the Act varies from State-to-State, the Committee recommend that the Act should provide for allowing States/UTs, a reasonable time limit, which could be one year, within which they will be required to complete the preparatory work, at the end of which the Act will come into force in all States. If any State/UT is in a position to implement the Act earlier than the stipulated time, they can do so. Conditions/Guidelines for determining preparedness of States/UTs may be prescribed by the Central Government.

# (b) Provision for Food Security

3.4 Clause 3(1) - Every person belonging to priority households and general households, identified under sub-section (2) of section 15, shall be entitled to receive every month from the State Government, under the Targeted Public Distribution System, seven kilograms of foodgrains per person per month for priority households and not less than three kilograms of foodgrains per person per month for general households, at subsidised prices specified in

Schedule I. The Schedule I provides the subsidized prices under Targeted Price Distribution System, as under:-

## Subsidized Prices Under Targeted Public Distribution System

| Subsidised Price for Priority  | Subsidised Price for General   |
|--|--|
| Households   | Households   |
| Not exceeding rupees 3 per kg. for rice, rupees 2 per kg. for wheat and rupee 1 per kg. for coarse grains. | Not exceeding 50 per cent. of the minimum support price for wheat and coarse grains, and not exceeding 50 per cent. of derived minimum support price for rice. |

# 3.5 Summary of views/suggestions placed before the Committee

Ministry of Finance – The Act should not fix price of foodgrains for the beneficiaries. Rather, issue price should be linked with MSP fixed every year for procurement purposes. Fixed price may lead to a continuous rise in the Government of India's (GOI) food subsidy and, ultimately, it may not be sustainable in the longer run.

Ministry of Tribal Affairs – Food entitlements should be specified on the basis of recommended nutritional requirements to enable purchase of needed quantity at option or yearly aggregate entitlements may be specified instead, since the average off-take may fluctuate at different times of the year depending upon prices or alternate sources of supply, and may be more relevant for planning subsidy/logistic requirements.

**State Government of Kerala** – Instead of reducing the present quota of 35 kg. for a BPL family with less than 5 members, it is suggested that the minimum allocation at 35 kg. for a family. Thereafter, for every additional person over five persons in the family, a certain stipulated quantity (say 5 to 7 kg.) should be additionally provided.

**State Government of Odisha – R**egarding entitlement of foodgrains for General Households the proposal in the Bill to provide 7 kg. of rice per head for general household has not been accepted by the Government. Odisha feels that allotting 3 kg. of rice per head per month *i.e.* @ 100 gms. per day per head is quite low for sustenance of a person.

**Right to Food Campaign –** 'Every person shall be entitled to 14 kgs. of cereals, 1.5 kgs of dal and 800 gm of oil per month.'

**UNICEF** – 7 kgs subsidized foodgrains per person per month needs to include other nutritious food such as pulses, oil and milk/dairy products.

**Shri Naveen Jindal, MP (LS) –** World Health Organization (WHO) prescribes minimum subsistence to be 11 kgs as against 7 kgs that is being prescribed right now. Committee may like to suggest accordingly.

**Prof. M.S. Swaminathan, MP (RS)** – We must ensure that the Bill makes improvement, and does not cut down the provisions contained in the Antyodaya Anna Yojana because we must protect what we are already doing. So, we have to be careful in our wording so that the Antodaya Anna Yojana beneficiaries who are today getting 35 kgs. per family are protected.

Smt. Brinda Karat, Ex-M.P. (RS) – At present the Antodaya category numbering approximately 2.5 crore families is getting a price advantage of 35 kilos of rice at two rupees a kilo. The Bill eliminates this category and also the price advantage. Thus for 2.5 crore families, the FSB will result in an added expenditure of 35 rupees per month. This is unfair. Secondly, the price of rice has been kept at three rupees whereas in many States, it is presently priced at two rupees. In Tamil Nadu, 20 kgs of rice is free. Further, the 3 kgs a month entitlement for APL section is making a mockery of food security.

All India Democratic Women's Association – The Bill represents a retreat and not an advance because instead of guaranteeing food security as a right, it actually dilutes the existing, albeit weak, provision of the present Public Distribution System (PDS). Further, at present, 2.5 crore households in our country are identified as AAY category and they are provided 35 kgs rice per month at the price of Rs. 2 per kg. These families will now have to pay an additional Re. 1 per kg. for rice, which is proposed to be priced Rs. 3 per kg. Several State Governments are already providing rice at, or below, Rs. 2 per kg. (Tamil Nadu supplies rice free of cost with universal coverage) to far above the prescribed numbers of BPL sections in their States.

Mr. Jeane Dreze, Hon. Professor, Delhi School of Economics and Ms. Reetika Khera, Asst. Professor, IIT, Delhi – Currently, the Bill is saying 7 kgs for priority group and 3 kgs for general category. In our opinion, the procurement level is so high and it is going to continue increasing. We feel that you could even make it 7 kgs.

# 3.6 Reply of the Department of Food and Public Distribution

The foodgrains entitlement in the Bill is on individual basis and not on household basis. At the proposed entitlement of 7 kg. per person per month for priority households, it works out to be 35 kg. per month for a family of five, which is the same as existing entitlement of 35 kg. per month for a BPL family. Current levels of production and procurement of foodgrains has also been kept in mind while prescribing entitlements and coverage.

When asked whether at the current level of production and procurement of foodgrains, it is possible to provide 7 kg. or 11 kg. per person per month to all the beneficiaries, the Department of Food and Public Distribution stated as under:-

'The estimated foodgrains requirement @ 7 kg. and 11 kg. per person per month for 75% of the rural population and 50% of the urban population would be beyond the realm of feasibility. Foodgrains requirement at 5 kg. per person per month is however manageable and may be considered by the Committee as an option. It may however be noted that currently AAY and BPL beneficiaries are entitled to receive 35 kg. per household per month, which comes to about 7 kg. per person per month.'

Section 17 of the Bill provides as under:-

Within the State-wise number of persons belonging to priority households and general households, determined under sub-sections (1) and (2) of section 14, the list of the eligible priority households and general houeholds shall be updated by the State Governments in such manner as may be prescribed by the Central Government.

The Department of Food and Public Distribution stated in this regard that this means that the foodgrains requirement will increase with increase in population and increase in production and procurement of foodgrains will have to keep pace with such increases in foodgrain requirement. The Table below gives the estimated requirement of foodgrains based on provisions of the Bill, using the projected population of that year along with the projections of production and procurement of wheat and rice made by the Ministry of Agriculture:

Projection of Production, Procurement and Req uirement of Foodgrains

(in million tons)

| Year     | Production<br>(Wheat & | Procurement<br>(Wheat & Rice)      |          | Foodgrains requirement under |  |
|----------|------------------------|------------------------------------|----------|------------------------------|--|
|          | Rice)                  | (As projected by<br>Min. of Agri.) | Adjusted | TPDS and OWS                 |  |
| 2011-12* | 198.22                 | 73.18\$                            |          | 60.74                        |  |
| 2015-16  | 196.32                 | 64.18                              | 67.18    | 64.46                        |  |
| 2020-21  | 207.48                 | 67.83                              | 70.83    | 69.67                        |  |
| 2025-26  | 219.29                 | 71.68                              | 74.68    | 75.39                        |  |

<sup>\*</sup> Production as per 4th Advance Estimate and actual Procurement as on 10.10.2012 \$Actual as on 10.12.2012

**Note:** Projection of foodgrain requirement is as per the NFSB provisions regarding coverage under TPDS and population projections using the rate of growth as observed during 2001-2011. OWS requirement is assumed to grow at the same rate as population.

As can be seen, the estimated requirement of foodgrains is likely to surpass the projected procurement in 2015-16. It may however be noted that the projection of wheat production for 2011-12 was about 10 million tons below the actual production and therefore even the future projections could be on the lower side. Accounting for this and assuming that 1/3rd of the production will be procured, the projection of the Ministry of Agriculture regarding procurement can be suitably adjusted upwards by 3 million tons. Even then, shortfall in foodgrain availability in the Central Pool is anticipated in 2025-26. It may however be noted that projections of procurement done by the Ministry of Agriculture is based on the assumption that about one third of the total production of wheat and rice will be procured. It would be difficult to sustain procurement at this level year-after-year.

#### Recommendation of the Committee

3.7 The Committee note that most of the State Governments or Experts who tendered their views/suggestions before them have suggested that the entitlement of foodgrains should not be less than 7 kg. per person per month. The Committee further note that though the projection of wheat production for 2011-12 was about 10 million tons below the actual production, the estimated requirement of foodgrains is likely to surpass the projected procurement in 2015-16 and the shortfall in foodgrains availability in the Central Pool is anticipated in the year 2025-26. The Committee while agreeing that the entitlement of foodgrains should be adequate, also feel that it is very important that the proposed legislation, which is one of the most ambitious legislations in the world, is sustainable in the long run. Therefore, the Government needs to ensure that the Food Security Bill which is under consideration, does not face problems in implementation and the commitments made therein are feasible. The Committee, therefore, recommend that to begin with, the entitlement of foodgrains be fixed at 5 kg. per person per month for all the persons to be covered under the Bill. However, taking into account the level of production and variation in the population estimates, the Government may review the position periodically and consider increasing the entitlement of 5 kg. per person per month in future. The Committee also observe that the Bill prescribes too many categories with different proportions of entitlement at different prices. The Committee are of the considered opinion that such categorization is very complicated and impractical to implement and feel that it is bound to give rise to several problems in implementation, giving more scope for pilferage/leakages and other shortcomings which are already being faced in the implementation

of TPDS. As recommended earlier, the Committee, therefore, desire that there should only be a single category of inclusion with uniform entitlement of 5 kg. per person per month at uniform subsidized price in order to successfully achieve the objectives of the Bill.

The Committee further note that the entitlements proposed in the Bill are on per person basis and not on household basis, whereas under the present TPDS, every BPL and AAY household get 35 kg. of foodgrains irrespective of the household size. Though it has been apprehended by some experts/organizations that the shift from household based entitlement will lead to decrease in the entitlement in case of smaller family size, the Committee feel that households with more members and larger families will be entitled to get more. The Committee are of the opinion that this per person entitlement appears to be more rationale and equitable, particularly when a legal right is sought to be created.

The Committee also recommend that the allocation of foodgrains to States/UTs should be based on 2011 Population Estimates, to begin with, which may be reviewed after every 10 years. The Committee further recommend that in case the implementation of the Bill results in decreased allocation to any section or State/UTs, the Government could consider protecting the same through an Executive Order. The Government may, accordingly, revise the relevant clause of the Bill.

The Committee further note that Schedule I of the Bill provides that subsidized price for priority households are proposed to be not exceeding Rs. 3 per kg. for rice, Rs. 2 per kg. for wheat and Rs. 1 per kg. for coarse grains.

However, the Committee feel that the above stated price may lead to continuous rise in the food subsidy of the Government which may not be sustainable in long term. Therefore, the subsidized prices cannot be fixed for all times to come and may need revision in future. The Committee, therefore, recommend that the Government may review the prices of subsidized foodgrains every five years and depending upon the production, procurement, stock position etc. of foodgrains, revise the prices, if required, so that the amount of food subsidy does not put a heavy burden on the national economy.

## Coverage of Population

**3.8 Clause 3(2)** - The entitlements referred to in sub-section (1) at subsidised prices shall extend up to seventy-five per cent of the rural population and up to fifty per cent of the urban population:

Provided that not less than forty-six per cent of the rural and twenty-eight per cent of the urban population shall be designated as priority households.

### 3.9 Summary of views/suggestions placed before the Committee

State Governments of J&K, Kerala, Meghalaya – The total coverage in rural areas should be retained at 90% of the rural population as was envisaged by the National Advisory Committee in its original draft.

**State Government of Tamil Nadu** – The State Government is implementing Universal PDS which is functioning well.

**State Government of Tripura** – The State Government strongly feels that 100% population both in urban and rural areas should be covered under the proposed National Food Security Bill, 2011.

**Prof. M.S. Swaminathan, MP (RS)** – There should be 67 per cent coverage in 22 States and Union Territories, and 75 per cent coverage in the 250 Backward Region Grant Fund Area. Those districts are important. There 75 per cent will have to be covered. Then, there is 90 per cent coverage in the Special Category States, i.e. North-Eastern States and Jammu and Kashmir.

Mr. Jeane Dreze, Hon. Professor, Delhi School of Economics and Ms. Reetika Khera, Asstt. Professor, IIT, Delhi – The main concern with the Bill as it is today is that it has a very complicated and a very impractical targeting framework, which has three categories – for example in rural areas, 46 per cent will be in the priority groups and 29 per cent in the general category. In urban areas, there are different proportions, different entitlements and prices for different groups, etc. It is very complicated. It is not practical. We have to see this in the light of the very poor experience of BPL targeting.

General Public - Approximately more than 1.5 lakh citizens from various parts of the country suggest that National Food Security Bill, 2011 must be a comprehensive one which will render Food Security through PDS to all citizens of this country irrespective of their Class or Category. Every one of us must be given benefit of PDS which we have been getting since independence. There may be classification of beneficiaries and difference price structure for different categories but no one should be excluded from the ambit of PDS to ensure Universal Food Security through PDS.

# 3.10 Reply of the Department of Food and Public Distribution

At the all India level, coverage of 75% and 50% under TPDS in rural and urban areas respectively has been proposed in the Bill keeping in view the current levels of production and procurement of foodgrains. Corresponding to this, coverage in each State/UT under priority and general households is to be determined by the Central Government. The Bill lays

down the minimum entitlements of the persons belonging to priority and general households that the Governments at the Central and State levels will be jointly required to fulfill as legal obligation. Obligation of the Central Government under TPDS will be to allocate foodgrains for number of persons belonging to priority and general households determined for each State. State Governments will be responsible for actual delivery of foodgrains to entitled persons at specified prices. State Governments, however, if they so desire, will be free to extend the coverage out of their own resources as long as the minimum entitlements prescribed under the Bill for the identified priority and general households are met. Section 40 of the Bill provides that the provisions of this Act shall not preclude Central or State Governments from continuing or formulating other food based welfare schemes.

#### Recommendation of the Committee

3.11 The Committee observe that Clause 3(2) of the Bill provides that 75% of the rural population and 50% of the urban population shall be entitled to subsidized foodgrains provided that not less than 46% of the rural population and 28% of the urban population shall be designated as priority households. The Committee have already agreed to the percentage of coverage of population as proposed in the Bill and also recommended for single category with uniform entitlements @ 5 kg. per person per month considering the various factors such as current levels of production and procurement of foodgrains, the average annual production of wheat and rice during the last five years, the average annual procurement during the last five years as 30% of the production and keeping in view the recommendation of the Expert Committee chaired by Dr. C. Rangarajan, Chairman, Economic Advisory Council to the Prime Minister, which stated that larger than 30% procurement had the danger of distorting the food prices in the open markets etc. The Committee have given detailed recommendation in this regard at Para No. 2.5 of the Report.

Provision of free meal to women during pregnancy and six months after the child birth

- **3.12 Clause 4 (a) -** meal, free of charge, during pregnancy and six months after the child birth, through the local anganwadi, so as to meet the nutritional standards specified in Schedule II; and
- **(b)** Maternity benefit of rupees one thousand per month for a period of six months in accordance with a scheme, including cost sharing, payable in such instalments as may be prescribed by the Central Government:

Provided that all pregnant women and lactating mothers in regular employment with the Central Government or State Governments or Public Sector Undertakings or those who are in receipt of similar benefits under any law for the time being in force shall not be entitled to benefits specified in clauses (a) and (b).

# Schedule – II NUTRITIONAL STANDARDS

Nutritional Standards: The nutritional standards for children in the age group of 6 months to 3 years, age group of 3 to 6 years and pregnant and lactating women required to be met by providing 'Take Home Rations' or nutritious hot cooked meal or ready to eat meal in accordance with the Integrated Child Development Services Scheme and nutritional standards for children in lower and upper primary classes under the Mid Day Meal Scheme are as follows:

| Serial | Category   | Type of Meal                        | Calories | Protein |
|--------|--|-------------------------------------|----------|---------|
| Number |  |                                     | (Kcal)   | (g)     |
| 1      | Children (6 months                                   | Take Home Ration                    | 500      | 12-15   |
| 2      | to 3 years)<br>Children (3 to 6                      | Morning Snack and                   | 500      | 12-15   |
| 3      | years)<br>Children (6 months                         | Hot Cooked Meal<br>Take Home Ration | 800      | 20-25   |
| 4      | to 6 years) who are<br>malnourished<br>Lower Primary | Hot Cooked Meal                     | 450      | 12      |
| 5      | Classes Upper Primary                                | Hot Cooked Meal                     | 700      | 20      |
| 6      | Classes Pregnant and Lactating Mothers               | Take Home Ration                    | 600      | 18-20   |

Note: 1.— Energy Dense Food fortified with micronutrients as per 50 cent. of Recommended Dietary Allowance.

Note: 2.— Meals shall be prepared in accordance with the prevailing Food Laws.

NB: Nutritional standards are notified to provide balance diet and nutritious foods in terms of the calorie counts, protein value and micronutrients specified.

### 3.13 Summary of views/suggestions placed before the Committee

Ministry of Women and Child Development – In the National Food Security Bill (NFSB), a new provision for maternity benefit of ₹ 1,000 p.m. for a period of six months has been made. It may be stated that disbursing the amount every month may be administratively difficult. A provision of ₹ 6,000/- during the period of six months may be reiterated and first part of Section 4(b) may be modified to read as under:-

"Maternity benefit of ₹ 6,000 @ ₹ 1,000 p.m. for a period of six months in accordance with the scheme including cost sharing, mode and periodicity of disbursement, as may be prescribed by the Central Government."

Implementation of the National Food Security Bill, 2011 will not have any major impact on the functioning of the Ministry per se but it will definitely affect the implementation of the scheme having nutrition component i.e. Integrated Child Development Schemes (ICDS). ICDS scheme is for the benefit of under-six years' children, pregnant and lactating mothers whereas Rajiv Gandhi Scheme for Empowerment of Adolescent Girls (SABLA) scheme, being implemented on a pilot basis, is for adolescent girls. Both the schemes are serviced at the Anganwadi Centres (AWCs) under the ICDS through the Anganwadi Workers/Anganwadi Helpers (AWW/AWHs). Supplementary nutrition is one of the services provided under these schemes.

ICDS scheme is currently in transition and the on-going efforts are to improve delivery through implementation of revised feeding and nutritional norms with quality as well as reach out to the population through AWCs in all the 14 lakh habitation. The scheme is confronted with programmatic and operational gaps which would need to be addressed first. After then only the ICDS scheme would evolve to an acceptable level of performance in terms of delivery of services and outcomes. Therefore, the time is not ripe yet for making the entitlements legal through an Act of Parliament. At best, it could be considered for inclusion in the enabling provision as in the case of health services, water and sanitation. Ideally, Food Security Bill should concentrate and strengthen the adequacy availability of full basket of commodities at the household level such as cereals, millets, oil, fruits etc. for overall nutrition outcomes.

The provisions in Clauses 20 to 29 of Chapter IX and 40 to 52 of Chapter XV of the draft Bill read with Schedule II, in so far it relates to ICDS, may be made operative only after the ICDS scheme has been notified for implementation under the NFSB. Further, the autonomy of these institutions may be ensured.

Ministry of Health and Family Welfare – The rate of ₹ 1,000/- per month would need to be revised periodically linked with Consumer Price Index (CPI) – a provision needs to be made accordingly. Sole exclusion of pregnant women and lactating mothers in regular Government employment (Central/State/PSUs) would deprive a rather small section of women of the benefit and therefore this exclusion may be reviewed.

**State Government of Kerala** – The maternity entitlements provided for in the original draft of the National Advisory Committee should be retained.

National Commission for Protection of Child Rights (NCPCR) – No conditionalities should be attached to maternity benefits. In particular, the benefit should apply irrespective of the place of birth (institutional or non-institutional deliveries), age of mother, or number of children.

**Right to Food Campaign** – Every pregnant and lactating mother shall be entitled to maternity benefits for a period of nine months, commencing from three months before the date of delivery and continuing for six months after that date. Such maternity benefit shall be at minimum wages and shall also be inflation indexed.

Shri Naveen Jindal, MP (LS) – The maternity benefit of ₹ 1,000 per month for a period of six months should be started only after three months into the pregnancy as before that the foetus is unstable and also, could lead to pressure on women to get pregnant for free food and abort later. This benefit should be only given till the birth of 2nd child – this will help in ensuring population stabilization, otherwise we run the risk of promoting practice of producing more children.

Smt. Brinda Karat, Ex-M.P. (RS) – It is essential to have a mention in the Bill of the need to strengthen and universalize anganwadis otherwise the legal rights of pregnant and lactating mothers cannot be met.

## 3.14 Reply of the Department of Food and Public Distribution

For strengthening the local anganwadis in all parts of the country for providing meal, free of charge to pregnant women and lactating mothers, the Integrated Child Development Scheme (ICDS) has been strengthened and restructured recently with an outlay of ₹ 1,23,580 crores for the 12th Five Year Plan. This *inter-alia* includes revision of cost norms for Supplementary Nutrition Program (SNP), improvement of infrastructure, construction of building of Anganwadi Centres (AWCs), revisions of cost norms for other components, revision of rent for AWC premises etc.

The Department further stated that the Ministry of Women and Child Development (WCD) has informed that their Ministry supports the maternity benefit after the child birth only for 6 months. This is to support the exclusive breast feeding for six months. As regards the amount of maternity benefit, it is submitted that in view of other provisions in the Bill for nutritional support to pregnant women and lactating mothers, the amount of ₹ 1,000/per month appears adequate. It is also mentioned that the WCD Ministry during interaction with the Standing Committee on Food, Consumer Affairs and Public Distribution, in its sitting held on 22.11.2012, had suggested that in the provision under Section 4, Clause (b) of the Bill relating to maternity benefits to pregnant women and lactating mother, the amount of monthly maternity benefit should not be mentioned in the Act itself as any subsequent revision in the amount would require amendment in the Act. As such, in order to facilitate revision in amount in future, this may be considered for putting the amount of maternity benefit in a Schedule

#### Recommendation of the Committee

3.15 The Committee observe that under Clause 4(b) of the Bill, maternity benefit of ₹1,000/- per month for a period of six months shall be payable in such installments as may be prescribed by the Central Government. The Committee recommend that the pregnant women should be eligible for the maternity benefit of ₹1,000 per month after three months into pregnancy. The Committee further recommend that the maternity benefit of ₹1000/- shall be admissible up to the birth of second child only in order to encourage stabilization of population. The Committee also desire that the amount of ₹1,000/- should be indicated in the Schedule and not in the body of the Bill so that subsequent revision in the amount would not require amendment to the Act.

The Committee also observe that the Food Security Bill also provides for meal, free of charge to pregnant women during pregnancy and six months after child birth through local anganwadis to meet nutritional standards specified in the Bill. However, the Committee find that sufficient anganwadi centres are not existing in all parts of the country and in many places where they exist, are not properly functioning. The Committee also feel that it is not practical for pregnant women to go to anganwadi centres to get free meal. Moreover, the Committee have been informed by the Ministry of Women and Child Development that the implementation of the Bill will affect the implementation of the Integrated Child Development Scheme (ICDS), which is being run by the Ministry for the benefit of under six years children, pregnant and lactating mothers and the Rajiv Gandhi Scheme for Empowerment of Adolescent Girls (SABLA), being implemented on a pilot basis for adolescent girls. Both the schemes are serviced under the ICDS through Anganwadi Centres/Anganwadi Helpers. The Ministry have informed the Committee that the ICDS scheme is confronted with programmatic and operational gap which would need to be addressed first and only thereafter, it would evolve an acceptable level of performance in terms of delivery of services and outcomes. The Committee, therefore, recommend that pregnant women should be given an additional 5 kg. of foodgrains per month during pregnancy and till two years after the child birth so as to meet her nutritional requirement, both post delivery and during lactation.

### 3.16 Nutritional Support to Children

**Clause 5 (1) -** Every child up to the age of fourteen years shall have the following entitlements for his nutritional needs, namely:—

- (a) in the case of children in the age group of six months to six years, age appropriate meal, free of charge, through the local anganwadi so as to meet the nutritional standards specified in Schedule II:
  - Provided that for children below the age of six months, exclusive breast feeding shall be promoted.
- (b) in the case of children in the age group of six to fourteen years, one mid-day meal, free of charge, everyday, except on school holidays, in all schools run by local bodies, Government and Government aided schools, up to class VIII, so as to meet the nutritional standards specified in Schedule II.

## 3.17 Summary of views/suggestions placed before the Committee

**Right to Food Campaign** – Insert Clause 5 (1) (c) In the case of all adolescent girls, age appropriate meal in the form of hot cooked meals or take-home rations as per the nutritional standards mentioned in Schedule I.

**UNICEF** – The qualitative aspect of the meal like foods to include, its fat content, portion size etc. are not specified. Young children between 6 to 24 months require appropriate nutrient densed food because of their rapid growth and small stomach size, therefore, stress needs to be given to children's right to the right food.

The first 1,000 days from inception to age two years, offer an opportunity to improve the nutrition situation of children. If this opportunity is missed, the window closes, and it closes forever leading to an intergenerational cycle of undernutrition and deprivation.

World Food Programme (WFP) – The Bill lays enough emphasis on meeting the requirements of the first 1,000 days of life (from inception till 2 years of age) through the ICDS. Integrating the age appropriate

nutrition requirements into PDS, also taking cognizance of specific physiological conditions including HIV/TB or need of fortification are indeed necessary.

**Shri Naveen Jindal, MP (LS)** – This scheme should also be extended to kids below the age of six months, if they are lactose intolerant or are mother-less. This would also reduce infant mortality.

#### Recommendation of the Committee

3.18 The Committee note that the Bill proposes to provide age appropriate meal, free of charge to children in the age group of 6 months to 6 years, through the local anganwadis so as to meet their nutritional standards specified in Schedule II of the Bill. As observed in the preceding paragraphs, the Committee find that ICDS scheme is not yet ripe to implement the provisions of the Bill. Moreover, the Committee do not find it practical for the children below the age of 2 years to go to anganwadi centres to get free meal. The Committee, therefore, recommend that the children below the age of two years who will be entitled to 5 kg. of foodgrains under the provisions of the Bill need not be provided free meals as they will be fed by their mothers who have already been recommended additional 5 kg. of foodgrains till two years of the child birth vide recommendation in para no. 3.15. The Committee further recommend that children in the age group above two years to sixteen years (or the age when they start going to school) be provided, one mid-day meal, free of charge, in all schools, run by local bodies, Government and Government aided schools, so as to meet the nutritional standards specified in Schedule II.

3.19 The Committee, however, observe that nutritional needs of adolescent girls are higher due to age related physical and hormonal changes. The Committee also agree with the views of the experts that only healthy girls will become healthy mothers. Therefore, to meet their nutritional requirements and iron deficiency, a provision of fortified atta and iron rich diet is needed. The Committee, therefore, recommend that under sub-clause 5 (1) (b), a new Clause 5 (1) (c) may be added as under:-

Clause 5 (1) (c) In the case of all adolescent girls, age appropriate meal in the form of hot cooked meals or take-home rations as per the nutritional standards mentioned in Schedule II.

## (c) Entitlements of Special Groups

**3.20 Clause 8 –** The special groups consisting of all destitute persons or homeless persons shall have the following entitlements, namely:—

- (a) all destitute persons shall be entitled to at least one meal every day, free of charge, in accordance with such scheme, including cost sharing, as may be prescribed by the Central Government;
- (b) all homeless persons shall be entitled to affordable meals at community kitchens, in accordance with such scheme, including cost sharing, as may be prescribed by the Central Government.

### 3.21 Summary of views/suggestions placed before the Committee

Food and Agriculture Organization (FAO)- FAO finds that 'destitution' is not very clearly defined. It supports the notion of seeking to identify social and occupation groups that are especially vulnerable, such as the homeless. Other groups that could be singled out include scheduled caste population, tribal populations, manual scavengers, beggars, sex workers, landless labourers, artisans, persons with disabilities, people with stigmatizing illnesses such as leprosy or HIV/AIDS, the elderly and the young who lack family support, and single women.

### Right to Food Campaign – Insert a Clause after Clause 8

Pension entitlements: The following persons shall be entitled to an individual pension of atleast ₹ 1300 per month (at ₹ 2009-10 prices), without *prejudice* to any other benefits or entitlements they may have under this Act, provided that they satisfy certain exclusion criteria:

- (a) Widows, Separated, Divorced and Abandoned women.
- (b) Elderly persons,
- (c) Disabled persons.
- (2) Gram Panchayat Certification: Eligibility to a pension, in terms of these criteria, shall be certified by the Gram Panchayat, after being duly verified and recommended by the Gram Sabha.
- (3) Timely disbursal: Pensions shall be disbursed regularly every month, by the 7th day of each month, through Post Offices or bank accounts of the recipients.
- Clause 8 (b) Entitlements need to be more clearly specified, in terms of cost of the meal, cost sharing, as well as nutritional content of the meal.
- **UNICEF** Children with severe acute malnutrition (SAM) and people living with HIV/AIDS to be included under this category as these groups have special nutritional needs, and evidence indicates that adequate nutrition therapy and treatment can save lives.
- World Food Programme (WFP) WFP believes that a more clear description of targeted groups could potentially be further enhanced in the Bill.

**Shri Naveen Jindal, MP (LS)** – It is difficult for the administration to verify the claim of being homeless or being a destitute. It runs the risk of breaking the social fabric as non-earning members of the family (elderly & disabled) might be pushed out of homes to feed for themselves.

#### Recommendation of the Committee

3.22 The Committee note that the Bill provides that all destitute persons shall be entitled to atleast one meal every day free of charge and all homeless persons shall be entitled to affordable meals at community kitchens, in accordance with such schemes, including cost sharing, as may be prescribed by the Central Government. The Committee feel that it would be difficult for the administration to identify destitute and homeless persons who may be given such benefits under the provisions of the Bill. Further, there is a risk of breaking the social fabric as non-earning members of the family may be pushed out of homes to feed for themselves. The Committee have already recommended for inclusion of this category of persons in the inclusion category under Recommendation Para No. 2.12. The Committee, therefore, recommend that this Clause may be deleted from the Bill.

### (d) Food Security Allowance

**3.23 Clause 13 -** In case of non-supply of the entitled quantities of foodgrains or meals to entitled persons under Chapters II, III and IV, such persons shall be entitled to receive such food security allowance from the concerned State Government to be paid to each person, within such time and manner as may be prescribed by the Central Government.

Clause 31 - In case of short supply of foodgrains from the central pool to a State, the Central Government shall provide funds to the extent of short supply to the State Government for meeting obligations under Chapters II, III and IV in such manner as may be prescribed by the Central Government.

## 3.24 Summary of views/suggestions placed before the Committee

**State Government of Andhra Pradesh** – Payment to be made for failure of supply of foodgrains or food by the State Government, the State Government should be consulted before implementing this provision.

**State Government of Assam –** Food Security Allowance should be borne by the Central Government and the fund should be transferred to the beneficiaries preferably through bank accounts.

**State Government of Odisha** – Regarding Food Security Allowance, the finances of State Government does not allow it to bear the same. The Union Government should bear the entire cost.

**Right to Food Campaign -** Insert 'Provided that such food security allowance shall be resorted to only in the last instance and is a punitive measure for the non-supply of the foodgrains';

Provided further that such food security allowance will be five times the original quantity of foodgrains that the beneficiary was entitled to and shall be provided in kind as well.

**Shri Naveen Jindal, MP (LS)** – The Bill provides for entitlements to receive food security allowances only in the advent of non-availability of food. We would like to recommend usage of direct cash transfer/food coupons as an option for all beneficiaries in the hands of the lady of the House.

### 3.25 Reply of the Department of Food and Public Distribution

Though some tentative estimates of the likely additional expenditure to be borne by States/UTs have been worked out, its full extent can be known only after final shape of the Bill emerges and new schemes for providing meals to vulnerable groups such as destitutes and homeless persons, emergency/disaster affected persons and persons living in starvation, including pattern of cost sharing between Central and State Governments, is finalized. Sections 13 and 31 of the Bill implies that States would have to give food security allowance only in case of non-delivery of entitlements due to deficiency at States' end. In case of failure arising out of short supply of foodgrains by the Central Government, State Governments will be adequately compensated.

#### Recommendation of the Committee

3.26 The Committee note that in case of short supply of foodgrains from the Central Pool to a State, the Central Government will provide funds to the extent of short supply to the State Government for meeting their obligation under various provisions of the Bill, including Food Security Allowance. As such, no expenditure will be incurred by the States for the purpose of paying food security allowance and hence, the apprehensions of some State Governments in this regard is unfounded. The Committee are of the view that responsibility of the State Governments under the provisions of Clause 13 of the Bill is taken care of by the provisions in Clause 31.

## (e) Identification of Priority households and general households

**3.27 Clause 14 (1) -** At the all India level, the percentage coverage of overall rural and urban population under the priority and general households, for the purposes of providing subsidised foodgrains under the Targeted Public Distribution System, shall be to the extent specified in sub-section (2) of section 3.

- **(2)** Subject to sub-section (1), the State wise distribution shall, from time to time, be determined by the Central Government.
- Clause 15 (1) The Central Government may, from time to time, prescribe the guidelines for identification of priority households, general households and exclusion criteria, for the purposes of their entitlement under this Act, and notify such guidelines in the Official Gazette.
- (2) Within the State-wise number of persons belonging to the priority households and general households, determined under sub-sections (1) and (2) of section 14, identification of priority households and general households shall be done by the State Governments or such other agency as may be decided by the Central Government, in accordance with the guidelines referred to in sub-section (1):

Provided that no household falling under the exclusion criteria, to be prescribed by the Central Government, shall be included either in the priority households or general households.

### 3.28 Summary of Views/Suggestions placed before the Committee

Ministry of Finance - The Ministry of Rural Development is coordinating the ongoing Socio-economic Caste Census (SECC), 2011 which is surveying all rural households in the country to collect information on a number of socio-economic indicators. The eligibility and entitlements of rural households in the country for different Central Government programmes and schemes will be determined in line with the SECC, 2011 results. Ministry of Rural Development and Planning Commission will consult States, experts and civil society organizations to arrive at a consensus on the methodology that will seek to ensure that no poor or deprived household will be excluded from the coverage under different government schemes. An Expert Committee to be appointed will ensure that this methodology is consistent with the provisions of the Food Security Bill as it finally emerges. Since the methodology for determining eligibility under different scheme will be decided in consultation with State Government and experts, concerns of State Governments will be addressed. The Department would like to see a consultative mechanism involving, Central Government and State Government in the Final determination of the coverage of beneficiaries.

Ministry of Panchayati Raj – In Clause 15 after sub-clause (2), the sub-clause (3) shall be added in which recommendatory roles of panchayats are suggested because ultimately Union and State Governments are responsible for food security under Chapter X and Chapter XI of the Bill. Panchayats/Gram Sabha should also be given a role to recommend cases of priority and general households.

Ministry of Social Justice and Empowerment – A more liberal criterion in respect of the households having any of the member(s) with disability for automatic inclusion as the priority households for the purpose of their entitlements under the proposed National Food Security Act, 2011 needs to be adopted. While framing guidelines for identification of priority households, issues concerning persons with disabilities including their problems to access facilities on account of a multiplicity of reasons including reduced mobility, inaccessible information and communication may please be given due consideration.

Ministry of Tribal Affairs – A separate commission or committee for identification of beneficiaries may not be required. Identification should be by the local authorities or by the tribal hamlets/habitations. The Ministry feel that the tribals in remote/inaccessible areas may be included in the priority.

**State Government of Rajasthan** – In Clause 15 (1), State Governments should be consulted before prescribing the guidelines for identification of priority households.

All India Fair Price Shops Dealer's Federation – For the sake of food security of all categories of people of India, Public Distribution System should cater universally at various prices to different categories of recipient but invariably at prices lower than the prevailing open market rates. This view is also supported by thousands of letters received from general public.

The Catholic Health Association of India, Secunderabad – The Revised National TB Control Programme (RNTCP) of India registered a total of 15,15,872 TB patients for treatment. Further, about 750,000 of the total 15,15,872 TB patients that India notifies annually for the last five years live on an income below Rs. 2000 per month. Every year, about 1.5 million new TB patients are identified in India. Out of this, approximately 7,50,000 are BPL. TB Patients must be included in the Food Security Bill as a uniquely vulnerable group. Specifically, they should be given access to nutritious supplements under the provisions of the Food Security Bill.

Food and Agriculture Organization – Ideally identification of beneficiaries should be built on objective criteria linked to the socio-economic situation of individuals and households taking into account their income and assets. This should be done at a decentralized level with a combination of professional estimates and social validation to help ensure fairness and participation. However, FAO does not wish to make detailed proposals on this.

Right to Food Campaign (Secretariat), New Delhi – PDS entitlements must be universal (i.e. everyone must be eligible for subsidized grains without any divisions into different categories). It is further submitted that the Bill

does not make mention of the BPL lists, it also does not specify how the Priority and General categories are to be identified. Chapter VI only mentions that such identification shall be based on guidelines issued by the Central Government. There is no guarantee that present errors of exclusion will be taken care of in any new approach. It can be presumed that the identification of Priority and General Categories will be done on the basis of the ongoing SECC, 2011. There are many problems with the design of the SECC and this is bound to lead to exclusion errors. This is tied to the earlier argument that such a categorization needs to be done away with. It is untenable to have an Act that does not clearly define who is entitled to what benefits.

World Food Programme, New Delhi – With regard to methodology for identification of priority households and general households, the organization stated that there are several studies and committees who have given reports on identification of poor. While WFP does not have any specific suggestion on this but they feel that such identifications should be transparent, based on a sound rationale and conscious attempt to take into account the differences. There should be clearly defined criteria for exclusion and the rest should get the entitlement uniformly across.

**Smt. Brinda Karat, Ex-M.P. (RS)** – For the purpose of the Bill, there should only be one exclusion criteria, that is all income tax payees. The rest should be entitled to the full benefit of the entitlement. The above clauses should be amended accordingly. It may be noted that even at present where there are universal systems put in place by State Governments there is self-exclusion by those who prefer and can afford to buy better quality grain from the market.

## 3.29 Reply of the Department of Food and Public Distribution

The Department of Food and Public Distribution while responding to the above suggestions, informed the Committee that the Ministry of Rural Development is coordinating the ongoing Socio-Economic Caste Census (SECC), 2011. Similar survey in urban areas is being coordinated by the Ministry of Housing and Urban Poverty Alleviation. Under the methodology for Socio-Economic and Caste Census 2011, rural households are classified in three steps which are as follows:-

- (i) First, a set of households are excluded.
- (ii) Second, a set of households are compulsorily included.
- (iii) Third, remaining households are ranked as per the number of deprivation indicators.

Further, the Department of Food and Public Distribution informed about the details of Automatic Exclusion, Inclusion Criteria and Deprivation Indicators which is given as under:-

#### **Automatic Exclusion Criteria**

- (i) Motorized Two/Three/Four Wheelers/Fishing boats (which require registration).
- (ii) Mechanized Three/Four wheeler agricultural equipment such as tractors, harvesters etc.
- (iii) Kisan Credit Card with the credit limit of ₹ 50,000 and above.
- (iv) Households with any member as Government Employee: gazetted/non-gazetted/Central/State Government/PSU Government aided autonomous bodies and local bodies.
- Households with non-agricultural enterprise registered with the Government.
- (vi) Any member in the family earning more than ₹ 10,000 per month.
- (vii) Paying income tax or profession tax.
- (viii) Households with three or more rooms with all rooms having pucca walls and pucca roof.
- (ix) Owning Refrigerator.
- (x) Owning landline phones.
- (xi) Households owning 2.5 acres or more irrigated land with at least one irrigation equipment such as diesel/electric operated bore well/ tubewell.
- (xii) 5 acres or more land irrigated for two or more crop seasons.
- (xiii) Households owning 7.5 acres or more land with atleast one irrigation equipment such as diesel/electric operated borewell/tubewell.

#### **Automatic Inclusion Criteria**

- (i) Households without shelter
- (ii) Destitute/living on alms
- (iii) Manual scavengers
- (iv) Primitive Tribal Groups
- (v) Legally released bonded labourers

## **Deprivation Indicators**

- (i) Households with only one room with kucha walls and kucha roof.
- (ii) Households with no adult member between age 16 and 59.
- (iii) Female headed households with no adult male member between age 16 and 59.
- (iv) Households with any disabled member and no able bodied adult member.

- (v) SC/ST households.
- (vi) Households with no literate adult above 25 years.
- (vii) Landless households deriving the major part of their income from manual casual labour.

Asked to indicate the current status of the SECC, 2011 and when it is likely to be completed, the Department of Food and Public Distribution stated as under:-

'The Ministry of Housing and Urban Poverty Alleviation (HUPA) has informed that the SECC-2011 Survey is in progress. The reason for delay is late initiation of field work in some of the State due to State/Urban Local Body elections and other local factors. The SECC was launched on 28th June, 2011, with the financial and technical support of the Government of India. The total Number of Enumeration Blocs (EBs) to be canvassed for urban cities/towns is 6.3 lakh. Enumeration process, so far, has been completed in 5.5 lakh EBs which is 88% of the total. Supervision has been completed in 4.2 lakh EBs, which is 75% of the EBs Enumerated. At present, Twenty Eight State/UTs namely, Haryana, Nagaland, Sikkim, Punjab, Himachal Pradesh, Karnataka, Rajasthan, Gujarat, Chhattisgarh, Tripura, Puducherry, Andaman & Nicobar Islands, Chandigarh, Dadra & Nagar Haveli, Daman & Diu, Arunachal Pradesh, Jammu & Kashmir, Kerala, Goa, Uttarakhand, Delhi, Madhya Pradesh, Tamil Nadu, Meghalaya, Assam, Mizoram, Orissa and Andhra Pradesh have completed the enumeration and the survey is in progress for six States namely Manipur, West Bengal, Maharashtra, Jharkhand, Uttar Pradesh and Bihar.

Information from the Ministry of Rural Development (RD) regarding the status of SECC has not been received. However, earlier in October, 2012, Secretary, Department of Food and Public Distribution discussed the progress of Socio Economic and Caste Census (SECC), 2011 with the Secretary, Department of Rural Development. It was informed that roughly 68% survey is complete. Particularly in Uttar Pradesh, half of the population is covered in the first phase. As soon as first phase is completed, rest of the population will be taken up as the same PC Tablets are to be used for the purpose. Once the enumeration is complete, analysis and process of publication and inviting objections and appeal etc. will be gone through. All these will take time, therefore, the Ministry of Rural Development is not in a position to commit timeline for completion. It was also mentioned that States have been asked to physically check the position of cases which will cover under automatic inclusion criteria.'

#### Recommendation of the Committee

3.30 The Committee observe that much of the controversy relating to the Bill revolves around the identification of the priority households both in rural and urban areas. The Bill does not specify the criteria for categorization of the population into priority and general household and also not specifies as to how the priority and general households will be identified. The Bill only mentions that State-wise distribution of the coverage is to be determined by the Central Government. The Bill provides that within the State-wise coverage, identification of priority and general household is to be done by the State Governments as per the guidelines of Central Government. The Committee have been informed that the Ministry of Rural Development is coordinating the on-going Socio-Economic Caste Census (SECC, 2011). Similar survey in urban areas is being coordinated by the Ministry of Housing and Urban Poverty Alleviation. The Committee have already recommended that since multiplicity of categories will lead to severe identification errors, there should be a single inclusion category and for this, there should be a clearly defined exclusion criteria. The Committee strongly urge the Central Government to take special care in coordination with the State Government in the identification of households for entitlements under Targeted Public Distribution System (TPDS) under the National Food Security Bill and ensure that deserving persons may not get excluded from the coverage of Public Distribution System and other social welfare schemes

## (f) Reforms in Targeted Public Distribution System

**3.31 Clause 18 (1)** The Central and State Governments shall endeavour to progressively undertake necessary reforms in the Targeted Public Distribution System in consonance with the role envisaged for them in this Act.

- (2) The reforms shall, inter-alia, include—
- (a) doorstep delivery of foodgrains to the Targeted Public Distribution System outlets;
- application of information and communication technology tools including end-to-end computerisation in order to ensure transparent recording of transactions at all levels, and to prevent diversion;
- (c) leveraging "aadhaar" for unique identification, with biometric information of entitled beneficiaries for proper targeting of benefits under this Act;
- (d) full transparency of records;

- (e) preference to public institutions or public bodies such as Panchayats, self help groups, co-operatives, in licensing of fair price shops and management of fair price shops by women or their collectives;
- (f) diversification of commodities distributed under the Public Distribution System over a period of time;
- (g) support to local public distribution models and grains banks;
- (h) introducing schemes, such as, cash transfer, food coupons, or other schemes, to the targeted beneficiaries in lieu of their foodgrain entitlements specified in Chapter II, in such area and manner as may be prescribed by the Central Government.

### 3.32 Summary of the views/suggestions placed before the Committee

**Ministry of Finance** – Suitable provision to be made in the Act that States would undertake the PDS reforms within the stipulated time period (say 3 or 5 years).

Ministry of Panchayati Raj – Regarding Clause 18 (2) (e), there is inter-mixing of licensing and distribution function. Licensing function is a governance function and can be given only to authorities like Panchayats, Municipalities and elected Village Councils. Distribution should be preferably by Women's Self Help Groups (SHGs), cooperatives. In disturbed areas, Panchayats should also have preference in distribution function.

Ministry of Tribal Affairs – Maximum malnutrition and hunger is one of the severe malaise afflicting the tribals. They require nutritious as well as adequate food supply. Millets (Ragi, Makka etc.) is one of the staple diets of the tribals. Under PDS, tribals/forest dwellers should invariably get adequate quantity of millets which needs to be incorporated in the Bill.

World Food Programme, New Delhi – It is important to give due consideration in the Bill to meet the micronutrients requirement of the population. About 76 countries in the world mandatorily fortified their wheat flour. Inclusion of millets and coarse cereals and thereby diversifying the PDS food basket could be another complementary strategy. Therefore, amendment of Clause 18 (2) (a) is a must.

## 3.33 Reply of the Department of Food and Public Distribution

Informing about the status of reforms in TPDS in various States, the Department of Food and Public Distribution stated as under:-

Targeted Public Distribution System (TPDS) is operated under the joint responsibility of the Central and the State/Union Territory (UT) Governments. Central Government is responsible for procurement, allocation and transportation of foodgrains upto the designated depots of the Food Corporation of India.

The operational responsibilities for allocation of foodgrains within the States/UTs, identification of eligible Below Poverty Line (BPL) families, issuance of ration cards to them and supervision over and monitoring of functioning of Fair Price Shops (FPSs) rest with the concerned State/UT Governments.

Evaluation studies on functioning of TPDS are got conducted by the Department from time to time. As the evaluation reports on TPDS by Programme Evaulation Organization (PEO), Planning Commission and ORG MARG in 2005 indicated diversion/leakages of foodgrains under TPDS, exclusion and inclusion errors in identification of BPL and AAY families etc., a nine-point Action Plan was evolved in July, 2006 for necessary action by States/UTs and for regular monitoring of implementation of TPDS. The points and the action taken by States/UTs as reported up to 30.09.2012 are given as below:

- (i) States should undertake a campaign to review BPL/AAY list to eliminate ghost ration cards - Implementation of the action plan has resulted in elimination of a total of 318.50 lakh bogus/ineligible ration cards since July 2006 in 27 States.
- (ii) Strict action should be taken against the guilty to ensure leakage free distribution of food grains - 33 States have reported that action is being taken against the guilty to ensure leakage free distribution of foodgrains.
- (iii) For sake of transparency, involvement of elected PRI members in distribution of foodgrains be ensured. FPS licenses be given to SHGs, gram panchayats, cooperatives etc. There is involvement of PRIs in Vigilance Committees to monitor FPS in 29 States/UTs. 30 States/UTs have reported FPS being run by Gram Panchayats, SHGs, Cooperatives etc. Out of about 5.14 lakh FPS in operation, about 1.26 lakh FPS *i.e.* about 25% of the FPS are being run by such organisations.
- (iv) Display of BPL and AAY lists by fair price shops BPL lists at FPS are displayed in 31 States/UTs.
- (v) Display of fair price shop-wise and district-wise allocations of PDS commodities on web-sites for public scrutiny - Action regarding putting up district-wise and FPS-wise allocation of food grains on websites and other prominent places has been initiated in 21 States/UTs.
- (vi) Door-step delivery of PDS commodities to fair price shops Door-step delivery of foodgrains to FPS by State Governments instead of letting private transporters to transport goods is being done in 19 States/UTs. This reduces leakages during the transportation

- of foodgrains and ensures viability of FPS owners. Remaining States/UTs have also been requested to take up door-step delivery wherever possible.
- (vii) Ensuring timely availability of foodgrains at FPS and distribution of foodgrains by FPS Action is being taken by 32 States in this regard.
- (viii) Training of Vigilance Committee members 27 State/UT Governments have taken up training programmes for FPS level vigilance committees. Funds are also being provided by Government of India under a Plan Scheme for training of TPDS officers/officials.
- (ix) Computerisation of TPDS operations, use of IT etc. Computerisation of PDS is the top-most priority of the Department. End-to-end computerisation including Digitisation of ration card and other databases, Supply chain management, creation of transparency portal, grievance redressal mechanism and FPS automation has been taken up. States/UTs have prepared their action plans regarding computerisation. Detailed guidelines and timelines for achieving specific milestones have been sent to States/UTs. A Plan Scheme for providing infrastructural and financial support has been approved.

Besides, several other measures are also being taken for strengthening of the TPDS which include the following:

- (i) To make TPDS operations transparent and amenable to public scrutiny by use of provisions of Right to Information Act, 2005, a revised Model Citizens Charter was issued by the Department in July, 2007 for adoption and implementation by all State/UT Governments. Its speedy implementation was agreed to by all State/UT Food Secretaries in the meeting on 8.2.2008. By now, 34 State/UT Governments have reported adoption and implementation of the revised Model Citizens' Charter.
- (ii) To ensure greater transparency in functioning of fair price shops, directions were issued to State & UT Governments in March 2008 to introduce monthly certification by village panchayats/urban local bodies/vigilance committees/womens Self Help Groups for delivery of food grains to fair price shops in time and their distribution to ration card holders during the allocation month. So far, 23 State/UT Governments have reported on implementation of this monthly certification.

- (iii) To facilitate greater public scrutiny of functioning of TPDS, publicity-cum-awareness campaign on TPDS has been taken up under a plan scheme on strengthening of TPDS. Rs. 59.832 lakh were sanctioned to 8 States including 4 NE States during 2011-12. During 2012-13, an amount of Rs. 30.756 lakh were sanctioned to the States of Andhra Pradesh (Rs. 8.4 lakh), Kerala (Rs. 19.30 lakh) and Tripura (Rs. 3.05 lakh).
- (iv) The State Governments/UTs have been permitted to lift and distribute upto six months ration under TPDS in one go subject to the condition that there should be no compulsion on the beneficiaries to lift their entitlements and installments should be permitted for those who are not interested or cannot afford to lift the entire quantity. Further, with a view to ensure transparency, the bulk distribution of foodgrains may be made as far as possible in the presence of State Government officials, representative of PRIs, members of Vigilance Committees in Gram Sabha NGOs concerned, etc.
- (v) In order to curb diversion and leakages of foodgrains meant for TPDS, a scheme namely 'Innovative scheme for curbing leakages/ diversion of foodgrains meant for TPDS' was taken up on pilot basis in Chhattisgarh and Tamil Nadu in 11th Five Year Plan. Under this scheme, financial assistance is provided to State/UT Governments for installation of Global Positioning System (GPS) sets on the vehicles carrying TPDS commodities. In view of the feedback received about success of this scheme, it was decided to extend this scheme. Proposals have been invited from States/UTs for financial year 2012-13 also for sanctioning funds under the scheme.
- (vi) To facilitate distribution of wheat flour/fortified wheat flour instead of whole wheat in convergence with other Government programmes / schemes for nutritional improvement of targeted beneficiaries, the Department had issued revised policy guidelines on this subject in January, 2008. As on 30.09.2012, 17 States/UTs are distributing wheat flour/fortified wheat flour under TPDS.
- (vii) To make operations of FPS economically viable, the State/UT Governments have been advised to allow FPS licensees to enlarge basket of commodities by allowing sale of non-PDS items for daily use as per local requirements. 13 State/UT Governments have confirmed that FPS in these States are selling non-PDS items such as edible oil, pulses, milk powder, soaps etc.

The State/UT Governments have been given the flexibility in 2001 in fixing the commission in order to enable them increase the commission of

FPS licensees. States/UTs have been requested to reassess the commission being paid to FPS dealers and enhance the same so as to increase the viability of FPS operations.

The Department further stated that to improve functioning of TPDS, Government has been regularly issuing advisories and holding conferences wherein State/UT Governments are requested for continuous review of lists of BPL and AAY families, ensuring timely availability of foodgrains at Fair Price Shops (FPSs), ensuring greater transparency in functioning of TPDS and improved monitoring and vigilance at various levels. Utilization Certificates (UCs) for the foodgrains allocated to State Government are also obtained regularly from the State Governments.

#### Recommendation of the Committee

3.34 The Committee observe that sometimes foodgrains supplied to beneficiaries at Fair Price Shops are of sub-standard quality and also there is considerable variation in the quality of foodgrains kept in the different Government godowns within a State. The Committee also find that in the Performance Evaluation of TPDS by the Planning Commission, it has been observed that the presence of foreign particles is comparatively lower in the PDS foodgrains procured from the three biggest source States of PDS grains e.g. Andhra Pradesh, Punjab and Haryana. It is also seen that major dependent States viz. the North-eastern States, Kerala, Tamil Nadu and Bihar reported the highest presence of foreign particles in PDS grains. The Committee, therefore, desire the Central Government to prescribe minimum quality standard norms for the foodgrains and it should be inserted in Clause 18 (2) of the Bill. The Committee further desire that the State Food Commissions be vested with the power to check the quality of the foodgrains before taking delivery from Central Government and that the end consumers should also be given the right of refusal to accept delivery of grains which are below prescribed minimum quality standard norms set by the Central Government.

3.35 The Committee observe that there is no provision for fortified foodgrains/fortified atta/pulses/oil/sugar/millets and other nutrigrains (coarse grains) etc. in the Bill and, therefore, it fails to meet the nutritional requirements of the beneficiaries. It is felt necessary to restore balance in the nutrition as well as cultivation systems of the country which have been distorted due to over emphasis on the major cereals *i.e* rice and wheat. The Committee also desire that the PDS should provide pulses, oil and millets in addition to foodgrains

which will go a long way in addressing the problem of malnutrition. The Committee, therefore, recommend that Clause 18 (2) (a) may be replaced as under:-

"Doorstep delivery of fortified foodgrains/fortified atta/pulses/ sugar/millets and other nutrigrains (coarse grains) to the Targeted Public Distribution System (TPDS) outlets".

3.36 The Committee observe that as per provision contained in the Clause 18 (2) (b), Reform in Targeted Public Distribution System (TPDS) shall include "application of information and communication technology tools including end-to-end computerisation in order to ensure transparent recording of transactions at all levels, and to prevent diversion".

The Committee desire that CCTV Cameras should be installed in the storage godowns of wheat, rice, sugar etc. so that all the activities of arrival and departure of these material could be recorded into the CCTV Cameras. All the storage points should be connected with the internet system installed at the district headquarter to view online the entire activities of receipt and issue of these commodities. The distribution of PDS commodities viz. wheat, rice, sugar etc. should be made through computer generated bills which should connect with the respective states headquarters. It will lessen corruption in distributing the aforesaid commodities.

- 3.37 The Committee also desire the Government to consider installing GPS devices in vehicles carrying foodgrains so as to prevent leakages/diversion in transportation of these grains. The relevant clause should be amended to the above extent.
- 3.38 The Committee note that *vide* Clause 18 (2) (h) under TPDS reforms, the Bill provides for introducing schemes such as cash transfer, food coupons or other schemes in lieu of foodgrains entitlement, in such area and manner as may be prescribed by the Central Government. So far as idea of introducing cash transfer to beneficiaries is concerned, as already recommended by Para No.2.68 the Committee desire that Government must ensure availability of adequate banking system in all parts of the country before launching direct cash transfer to beneficiaries in lieu of food entitlements.

## (g) Grievance Redressal Mechanism

**3.39 Clause 21** (1) For expeditious and effective redressal of grievances of the aggrieved persons in matters relating to distribution of entitled foodgrains or meals under Chapters II, III and IV, a District Grievance Redressal Officer,

with requisite staff, shall be appointed by the State Government for each District, to enforce these entitlements and investigate and redress grievances.

- (4) The State Government shall provide for the salary and allowances of the District Grievance Redressal Officer and other staff appointed under sub-section (1), and such other expenditure as may be considered necessary for their proper functioning.
- (5) The officer referred to in sub-section (1) shall hear complaints regarding nondistribution of entitled foodgrains or meals, and matters relating thereto, and take necessary action for their redressal in such manner and within such time as may be prescribed by the Central Government.

### 3.40 Summary of the views/suggestions placed before the Committee:

Ministry of Agriculture (Department of Agriculture & Cooperation) – At least one member in each of the Commissions should be from the Panchayats.

Ministry of Panchayati Raj – In Clause 21(1)- Add the following sentence:

An elected women member of the District Panchayat and in urban districts where Panchayats do not exist, an elected women member of the Municipality shall be the ex-officio Additional District Grievance Redressal Officer.

In Clause 21 another sub-clause (8) may be added as follows:

21(8) The Grievance Redressal Officer shall consider every decision of Gram Sabha, Gram Panchayat and Municipality on the above matters.

The representatives of the Ministry of Panchayati Raj, further stated in their evidence that:

"It is because, at the village level, people have no access to the higher up authorities but they will have direct access to an elected woman representative. If this could be made in the draft Bill, it would be useful."

**State Government of Andhra Pradesh** – The State is in agreement with the proposed redressal mechanism etc. However, the expenditure for maintaining the grievance redressal mechanism at different levels for the implementation of NFSB shall be met by the Government of India, as the State cannot bear this expenditure.

**State Government of Bihar** – Being a Central Act, the entire establishment and contingent cost of recurring and non-recurring nature to be incurred on District Grievance Redressal Officer and other Staff should be borne by the Central Government.

**State Government of Himachal Pradesh** – There appears to be no need for district grievance officer for this small area of activity. The existing machinery of DFSCs can deal with this.

**State Government of Jammu and Kashmir –** Additional financial burden by the Government of India.

**State Government of Rajasthan –** The financial implications in this regard should be fully borne by the Government of India.

**State Government of Uttarakhand** – The administrative officers of the Food Department may also carry out the works of supervision, control & grievance redressal at every level, which normally they have being doing for last many years.

National Informatics Centre (NIC) – It is proposed that an effective Grievance Redressal Mechanism is possible only with an extensive use of ICT tools where role based links to information can be provided.

National Commission for Protection of Child Rights (NCPCR) – The State Governments shall identify and notify the local authority at the gram Panchayat, block/mandal and district level which shall perform the function of grievance authority. Every notified local authority shall maintain a record of grievances filed and decisions taken by it and submit a periodic report to the State Government.

Right to Food Campaign – For the grievance redressal mechanism to be effective clear responsibilities delivering of entitlements must be laid out. A statement of obligations of each public authority/office in terms of its duties, obligations and commitments towards citizens under the Food Security Act should be developed which clearly defines the services to be provided, the eligibility to be a beneficiary, individual responsibility for delivery of service, supervision and so on. Section 4 of the RTI Act requires each public authority to put its obligations in the public domain. Any violation of the statement of obligations/citizens charter and failure to provide any service or obligation in a manner that would be reasonable to expect under this Act, should then be defined as constituting a grievance.

The proposed grievance redress mechanism under the NFSB begins at the district level. But this is too far away for people to effectively access. Every office, right down to the panchayat level should have a designated Grievance Redressal Officer (GRO) for receiving and disposing of complaints about any deficiency by an officer/functionary, in a specified timeframe. The NFSB must provide for facilitation centres to be set up at the block level which would register grievances of citizens and forward these to the appropriate GRO.

**Shri Naveen Jindal, MP(LS)** - In sub- Clause 5 of Clause 21- Also, the officer referred should be entrusted with the task of organizing public information/awareness programme in the district. During the course of evidence Shri Naveen Jindal, MP(LS) also stated as under:

"...I would like to suggest that the designated officers should be entrusted the task of disseminating information and creating public awareness through programmes at the Block and District levels. A lot of times, schemes are there but people did not know about those schemes well enough and they are not able to take benefit of those schemes.

Shri Mani Shankar Aiyar, MP (RS)- There is no reference in the Grievance Redressal provisions to elected women (or men) representatives in the Panchayats at any level. The entire redressal mechanism is structured bureaucratically through politically nominated representatives. The entire mechanism should be brought at the District level under the district panchayats with the bureaucracy serving under the elected local body. At higher levels, adequate representation of the District Planning Committees established under Article 243 ZD of the Constitution and the panchayats, especially district panchayats, would be crucial to ensuring people—run and people-oriented grievance redressal mechanism.

### 3.41 Reply of the Department of Food and Public Distribution

When enquired about views on cost sharing of expenditure on implementation of the various provisions of the Bill, likely functioning of State Food Commission etc., the Department stated as under:-

Implementation of Billwouldprimarily be through the State Governments. As the Bill is going to be a joint responsibility of Central and State Governments, it is imperative that the States participate in the process actively and share some of the costs. Setting up of Grievance Redressal Mechanism at District and State level is necessary to ensure effective monitoring of implementation of the Bill and to redress grievances quickly. State Governments are expected to bear this expenditure as these authorities will be working for effective implementation of the Act within the State. Also, DGROs and State Commissions are to be appointed/constituted by the State Government.'

The Department suggested for additional change in Grievance Redressal Mechanism to be considered by the Committee which is as under:-

'As per provisions of the Bill, the cost towards the State Food Commission and DGROs is to be borne by concerned State/UT, to which States/UTs have opposed. The Committee may, therefore, consider allowing States to use existing machinery as Grievance Redressal Officer. A strong and

independent State Food Commission is however considered necessary to monitor implementation of the Act and enforce its entitlements.'

#### Recommendation of the Committee

3.42 The Committee note that Clause 21 (1) of the Bill proposes to appoint a District Grievance Redressal Officer, for expeditious and effective redressal of grievances of the aggrieved persons in matters relating to distribution of entitled foodgrains under various provisions of the Bill. Clause 21(4) of the Bill proposes that the State Government shall provide for the salary and allowances of the District Grievance Redressal Officer and other staff appointed under sub-section (1), and such other expenditure as may be considered necessary for their proper functioning. The State Governments have different views on these provisions in the Bill. Some of the State Governments viz. the State Governments of Rajasthan, Andhra Pradesh, Bihar and Jammu and Kashmir have expressed their unwillingness to bear the expenditure in this regard and desired that the financial implications should be fully borne by the Government of India. The State Government of Uttarakhand has suggested that the administrative officers of the Food Department may carry out the work of supervision, control and grievance redressal at every level. The State Government of Himachal Pradesh has felt that there is no need for district grievance officer for this small area of activity and the existing machinery of District Food Security Commissions can deal with this. The Committee, therefore, desire that the Department should discuss the matter with all the State Governments/UT Administrations and find out an amicable solution with regard to sharing of expenditure on establishment of redressal mechanism in the States. As far as States/UTs who have opposed to bear the cost towards the State Food Commission and DGROs are concerned, the Department may allow those States to use existing machinery as Grievance Redressal Officer. However, maintenance of redressal mechanism infrastructure and meeting the recurring expenditure such as payment of salary and allowances of the staff/ employees should be borne by the State Governments themselves as they will be employees of the respective State Government.

The Committee also note that in the Bill there is provision relating to setting up of Grievance Redressal Authority upto the District level only and there is no provision for setting up Grievance Redressal Authority at the block level. The Committee have been given the view that people living in villages have no access to higher authority at district level. In the absence of any Grievance Redressal Authority at the block/panchayat level, a large number of poor people living

in village and remote areas will not have access to any authority for redressal of their grievances relating to their entitlement under the National Food Security Bill. The Committee, therefore, recommend that the Bill should have provision for grievance redressal at Block/Village Panchayat level also with elected women representatives for easy access of the people living in village and remote areas. Further, adequate representation of Panchayat members is also desirable in the District Planning Committees with a view to ensuring people run and people oriented grievance redressal mechanism.

### (h) State Food Commission

### **3.43 Clause 22 (2)** The State Commission shall consist of —

- (a) a Chairperson;
- (b) five other Members; and
- (c) a Member-Secretary:

Provided that there shall be at least two women, whether Chairperson, Member or Member-Secretary:

Provided further that there shall be one person belonging to the Scheduled Castes and one person belonging to the Scheduled Tribes, whether Chairperson, Member or Member-Secretary.

## 3.44 Summary of the views/suggestions placed before the Committee-

Ministry of Panchayati Raj – In Clause 22(2), after the second proviso, the following shall be added:

Provided further that there shall be at least one elected woman member from a District Panchayat, and where District Panchayats do not exist, an elected woman member from any other Panchayat or elected Village Council, and such a member will be in addition to the women members mentioned under the first proviso.

**State Government of Himachal Pradesh** – Having National and State Food Security commission is unnecessary and amounts to Government of India being prescriptive in a Sector that is clearly in the State domain.

**State Government of Jammu and Kashmir –** Additional financial burden by the Government of India.

**State Government of Rajasthan –** The financial implications in this regard should be fully borne by the Government of India.

**State Government of Uttarakhand –** Job of State Food Security Commission be entrusted to Lok Ayukta of the State so that unnecessary

expenditure on the State may be reduced. Moreover, the administrative officers of the Food Department may also carry out the works of supervision, control & grievance redressal at every level, which normally they have being doing for last many years.

National Informatics Centre (NIC) – The National Food Commission, shall undertake the functions relating to monitoring and evaluation of implementation of this act and monitoring the performance of schemes both at Centre and State level. The following aspects may also be taken into consideration:

- (iii) An institutional mechanism for implementation of ICT based Management and Monitoring System for Information sharing among multiple stakeholders at Central and State level.
- (iv) Training of professionals involved in implementing ICT solution on the implications and provisions of the Act.

The State Commission and National Commission can be supported thought office automation tools.

**Right to Food Campaign –** In Clause 22(2), the following lines are proposed:

'Provided that there shall at least be two women and one person who is disabled, whether Chairperson, Member or Member Secretary'.

In Clause 22(6), the sub- Clause (11) is proposed to be inserted:

'The State Commission shall dispose of cases within two weeks and shall have the power to impose penalties and order for compensation as required'.

Deletion of Clauses 22(9)(b) and 26(10)(b) which allows the Central Government to remove from office the Chairperson or any member who has become physically or mentally incapable of acting as a member' since this clause will be detrimental of persons with disabilities as it promotes discrimination against them.

To insert clause 22(9)(2) given as under:

'The members of the State Commission shall be subject to appraisal to ensure their eligibility to continue as members'.

**Shri Mani Shankar Aiyar, MP (RS)** – Chapter XI makes no mention of the local institutions of self- government. Whatever "agencies" work at district and sub-district level in this regard must be brought under the disciplinary and regulatory authority of the appropriate tier of the panchayat system (and equivalent in urban areas).

**Prof. M.S. Swaminathan, MP (RS)** – This Bill would succeed or fail depending upon the production of the necessary quantities of wheat, rice or nutri-millets. Our farmers can be legitimately regarded as the guardians of the food security system in our country. Unfortunately farmer do not find place in this Bill. At least in State Food Commission, there should be one women and one male farmer.

#### Recommendation of the Committee

3.45 The Committee note that Clause 22 of the Bill pertains to composition of the State Commission which consists of a Chairperson, five other Members and a Member-Secretary who shall be appointed from amongst services and people having knowledge and experience in matters relating to Food Security, policy making and administration in the field of agriculture, civil supplies, nutrition, health or any allied field. Considering the views/suggestions received and also the fact that a large percentage of our population constitutes farmers who are both producers as well as consumers, the Committee desire that the State Food Commission should have atleast one representative from the famers' community. The Government may consider amending the relevant provisions of the Bill accordingly.

- (i) Obligations of Central/State Government to ensure Food Security
- **3.46 Clause 30 (5)** Without prejudice to sub-section (1), the Central Government shall,—
  - (c) provide for transportation of foodgrains, as per allocation, to the depots designated by the Central Government in each State; and
  - (d) create and maintain required modern and scientific storage facilities at various levels.

The relevant provisions of the Bill pertaining to obligations of state government for food security are as under:

- Clause 32 (2) Under the Targeted Public Distribution System, it shall be the duty of the State Government to-
- (a) take delivery of foodgrains from the designated depots of the Central Government in the State, at the prices specified in Schedule I, organise intra-State allocations for delivery of the allocated foodgrains through their authorised agencies at the door-step of each fair price shop; and
- (6) For efficient operations of the Targeted Public Distribution System, every State Government shall,-
- (a) create and maintain scientific storage facilities at the State, District and Block levels, being sufficient to accommodate foodgrains required

under the Targeted Public Distribution System and other food based welfare schemes;

### 3.47 Summary of the views/suggestions placed before the Committee:

Ministry of Railways - The provisions of Chapter X- Obligations of Central Government for Food Security and Chapter XV- Miscellaneous have a bearing on the functions and responsibilities of Railways. Railway's role would have to be limited to the transportation of foodgrains to only those places which are/ can be served by Railways and that too only to the extent it is operationally feasible. Moreover, the rail borne foodgrains traffic would be charged on the basis of the applicable freight rate as notified and amended from time to time. As far as operational and commercial aspects of transportation of foodgrains are concerned, the same would have to continue to be governed by the Indian Railways Act of 1989 and the provision of the proposed Act would be neutral in so far as their financial implications on the rail transportation element are concerned.

**State Government of Andaman and Nicobar -** We agree with regard to the obligations of the Central and State Government except 32(2)(a) relating to delivery of foodgrains to the doorsteps of each FPS.

**State Government of Andhra Pradesh -** The additional expenditure on scientific storage facility at different levels to a tune of Rs. 500 crores may be provided by the Government of India.

**State Government of Bihar -** Since Government of India presently bears the expenditure related to TPDS, they should also bear the entire financial burden of enlarged entitlements and its implementations as per the cherished goals of this legislation. Therefore, Government of India should bear the entire cost of storage, dealer's commission, transportation and handling of foodgrains in all schemes till it is finally delivered to the beneficiaries.

The overriding negative feature of the Bill is that under it the Central Government arrogates to itself all power to decide the number, criteria and schemes, while unilaterally imposing a substantial financial burden on the State Government. Any exercise done by Government of India, without estimating and provisioning for the additional financial burden would impose upon the States, this Bill will definitely cripple the State Government financially which in turn would certainly impact the desired result adversely.

## 3.48 Reply of the Department of Food and Public Distribution

When the Committee desired to know whether the Ministry has analyzed, in consultation with the 14th Finance Commission, the additional finances to be borne by the States on account of Food Security Bill, the Department stated

that though some tentative estimates of the likely additional expenditure to be borne by States/UTs have been worked out, its full extent can be known only after final shape of the Bill emerges and new schemes for providing meals to vulnerable groups such as destitute and homeless persons, emergency/disaster affected persons and persons living in starvation, including pattern of cost sharing between Central and State Governments, is finalized. No consultation with the Finance Commission on this issue has taken place.

The Department further stated that the State Governments will be required to take various preparatory steps for proper implementation, which will include Identification of beneficiaries, issue of ration cards and strengthening of required infrastructure in terms of Fair Price Shops, godown facility etc. As preparedness to implement the Act varies from State to State, the Committee may consider that the Act should provide for allowing States/ UTs a reasonable time within which they will be required to complete the preparatory work, at the end of which the Act will come into force in all States. If any State/UT is in a state to implement the Act early, they can do so. Conditions/guidelines for determining preparedness of States/UTs may be prescribed by Central Govt. or this work can be given to the State Commission to be constituted under the proposed Act.

### Movement/Transportation of food grains

When asked the estimated requirement of rakes in pursuance to implementation of the Bill, the Department, *inter-alia*, informed that the requirement of rakes will increase by about 20% i.e. about 15500 rakes would be required by FCI and furnished the following details regarding total number of rakes demanded by FCI *vis-a-vis* rakes provided by Railways to FCI during the last 3 years:

| Year                        | No. of rakes planned<br>by FCI | Actual No. of rakes supplied by Railways |
|-----------------------------|--------------------------------|--|
| 2010-11                     | 13003                          | 10607                                    |
| 2011-12                     | 13215                          | 10969                                    |
| 2012-13<br>(upto Oct. 2012) | 6696                           | 5912                                     |

The Department further stated that the Railways could not provide the number of rakes required by FCI due to the following reasons:-

- (a) Limited line capacity and availability of wagons.
- (b) Competing demand for other commodities like fertilizer, cement during busy season.

- (c) Lack of infrastructure at loading and unloading Stations.
- (d) At times, rakes availability is affected due to foggy weather, bands etc.

### Creation and Maintenance of Storage facilities:

The Department stated that creation of storage facilities at various levels is the obligation of the Central Government while the State Governments are obligated to create and maintain scientific storage facilities at State, District & Block levels. When asked whether the obligation of the Central and State Governments are overlapping, the Department in their reply stated that implementation of Targeted Public Distribution System is joint responsibility of the Central and State Governments. States/UTs therefore are required to play an important role in all the important activities such as procurement, storage and distribution of foodgrains. In order to be able to meet their respective obligations, while the Central Government will be required to create first point storage facilities from where foodgrains can be lifted by States/UTs for distribution to beneficiaries, States/UTs will be required to create intermediate and grassroots levels storage facilities at various locations to ensure availability of adequate quantities of foodgrain sat to meet the distribution needs. Obligations of Central and State Governments in creation of storage facilities are therefore not overlapping but complementary.

In consuming States, the obligation of the Central Government and State Governments are not overlapping as roles are defined for both. However, some over lapping does happen in case of DCP states, as State Governments procure, store and distribute stocks on behalf of Central Government. Hence, storage facilities in DCP states at state, district and block levels is maintained by the State Government whereas FCI maintains storage facilities at various levels for taking over surplus stocks/feed in case of DCP states.

#### Recommendation of the Committee:

3.49 The Committee note that the Department did not consult the Financial Commission regarding the additional expenditure to be borne by the States on account of the implementation of the National Food Security Bill. However, the Department has worked out tentative estimates of the likely additional expenditure to be borne by States/UTs, but the full extent of additional expenditure of the States/UTs would be known only after final shape of the Bill emerges. The Committee feel that the Department may consult the Finance Commission with regard to the additional expenditure required to be borne by the State Governments/UT Administrations so that the States/UTs may allocate sufficient funds in their respective Budgets for the implementation of the National Food Security Bill, 2011.

3.50 The Committee note that requirement of additional rakes by FCI for movement of foodgrains will increase by about 20% in pursuance to implementation of the National Food Security Bill. The Ministry of Railways have not been able to provide the required number of rakes to the FCI during the last three years due to limited line capacity and availability of Wagons, competing demand for other commodities, lack of infrastructure at loading and unloading Stations, etc. The Committee note that the Ministry of Railways accorded 'B' priority to movement of foodgrains of FCI for Targeted Public Distribution System (TPDS) and Other Welfare Schemes (OWS). Considering that 90% of the movement of foodgrains of FCI is met by Railways, the Department should take up the issue of allocation of rakes with the Ministry of Railways on a regular basis. FCI may also move foodgrains through road transport in addition to the Railways so that no beneficiaries in any part of the country are deprived of their entitlements for want of foodgrains.

3.51 The Committee note that for the efficient operation of Targeted Public Distribution System(TPDS) under the National Food Security Bill, 2011 all State Governments/UT Administrations will have to create and maintain scientific storage facilities at the State, District and Block levels sufficient to accommodate the requirement of foodgrains. The Committee feel that creation of adequate storage space is an essential pre-condition for the successful implementation of the National Food Security Bill. The Committee also note that in Decentralized Procurement States (DCP), obligation of the Central and State Governments sometimes overlap. The Committee, therefore, recommend that the Department should impress upon all State Governments/UT Administrations to make every possible efforts to create scientific Storage facilities upto the Block levels by taking advantage of the Private Entrepreneurs Guarantee (PEG) Scheme. The Committee also urge upon the Department to try and avoid overlapping obligations of the Central and State Governments/UT Administrations. The Central Government may provide financial assistance to the States/ UTs for creation of modern scientific storage facilities.

# (j) Obligations Of Local Authorities

- **3.52 Clause 33** (1) The local authorities shall be responsible for the proper implementation of this Act in their respective areas.
- (2) Without prejudice to sub-section (1), the State Government may assign, by notification, additional responsibilities for implementation of the Targeted Public Distribution System to the local authority.

Clause 34 In implementing different schemes of the Ministries and Departments of the Central Government and the State Governments, prepared to implement provisions of this Act, the local authority shall be responsible for discharging such duties and responsibilities as may be assigned to them, by notification, by the respective State Governments.

### 3.53 Summary of views/suggestions placed before the Committee:

Ministry of Panchayati Raj— Gram Sabhas should be convened four times in a year The report of the Gram Panchayat Committee on the functioning of the FPS of the area should be compulsory item on the agenda of the Gram Sabha to which the presence of the FPS owners should be insisted upon. If the Gram Sabha does not find the functioning of the FPS satisfactory, a report to that effect shall be made to Government functionary prescribed by the State Government. This should be done within one week of the Gram Sabha meeting.

Ministry of Tribal Affairs— Gram Sabhas of the tribal hamlets/Gram Panchayats should be the custodian of records in The Panchayats (Extension to Scheduled Areas) Act, 1996 (PESA) areas.

Ministry of Women and Child Development— These may be made applicable from the date ICDS scheme has been notified for implementation under the NFSB, 2011.

**State Government of Bihar**— The roles and responsibilities envisaged for local bodies under this Central legislation both in rural and urban areas should have matching provisions of central funding.

Government of National Capital territory of Delhi, State Governments of Himachal Pradesh, Andhra Pradesh, Uttar Pradesh and Rajasthan have agreed with the provisions of the clause

National Commission for Protection of Child Rights (NCPCR)—All the three functions of planning, implementation and assessment/monitoring of the programme should devolve at the local level enabling community ownership and responsibility for the program. Plans should flow from the Gram Panchayats to Block level and above.

In difficult terrains, risks of landslides, floods, lack of roads and in general risks for young children to approach from their homes to the nearest anganwadi centre the appropriate government shall locate the anganwadi centre or make adequate arrangements such as allowance to the anganwadi worker to travel, stay in the habitation, even if the numbers of children/population in such habitations are less.

**AARTH – ASTHA Charitable Trust–** The role of the State machinery in reaching out to the population who do not have access to the meals through

the anganwadi needs to be stated. Official statistics indicate that the strategy of home based education has benefited almost 61,290 children with severe disabilities so far. But they are not provided with any midday meals from the nearest schools.

**Right to Food Campaign**– Local bodies be empowered to plan, execute and monitor the execution of the Food Security Act such as functioning of ration shops, implementation of all entitlements of pregnant and nursing women and children, the selection of beneficiaries as well as the monitoring of expenditure in their area.

Identification of people living in starvation in their territorial jurisdiction and alert the district authorities when needed should be done by local bodies.

A procurement committee should be set up under the Gram Panchayats.

Local procurement of hot cooked meals as per the minimum support price specified for the cereals, pulses and oil by the Government and other produce may be procured as per market rates by the Committee for Midday Meal Scheme and ICDS.

West Bengal Education Network—There should be clear pronouncement in the Bill that private companies & NGOs will not be contracted to implement entitlement programmes. All these programmes should be run by the gram Panchayats, Mahila Mandal, Women Self Help Groups etc.

**Shri Mani Shankar Aiyar, MP, Rajya Sabha**— The expression 'local authority' must be replaced by the words "local institutions of self–government, constituted under Articles 243G and W of the Constitution."

The State legislatures must be charged with the task of legislating the 'duties and responsibilities' that must vest in the panchayats and nagar palikas, particularly in view of Entry 28 "Public Distribution System" of the Eleventh Schedule, which illustratively lists the functions to be devolved to the elected local bodies.

In a separate schedule to the draft bill, the specific functions to be devolved to each tier of the three-tier system of panchayat raj should be detailed along with the simultaneous devolution of finances and functionaries to undertake last mile delivery.

To avoid panchayat raj from becoming sarpanch raj, there must be statutory provision for each elected local body to have a committee of members, including all lady representatives, to oversee the local women's self-help groups.

Role of the District Planning Committees set up under Article 243ZD (and ZE for the metropolitan areas) in regard to determining and projecting the district's requirements of food security must be clearly spelt out.

There must be statutory provision for the Gram Sabha (or equivalent body in the municipalities and metros) to regularly meet and discuss issues relating to food security, with the strict injunction that decisions taken by consensus or majority in the Gram Sabha in this regard must be respected.

### Recommendation of the Committee

3.54 The Committee note that the Bill provides that the local authorities shall be responsible for the proper implementation of this Act in their respective areas. The State Governments may assign additional responsibilities for implementation of the Targeted Public Distribution System to the local authority. The Committee find that the term 'Local Authority' is vague and may be replaced by 'Local institutions of self government'. Further, role and responsibilities of local authorities have not been clearly spelt out in the Bill. The Committee, therefore, desire that a detailed list illustrating the functions to be devolved to the elected local bodies under the National Food Security Bill, both in rural and urban areas may be annexed to the Bill. The Committee further recommend that a provision should be made in the Bill indicating that in order to enable the local authorities to perform the responsibilities assigned under sub-section (1) and sub-section (2) above, the State Governments or the authorities in charge of distribution of food, identification of beneficiaries and appointment of fair price shops shall disclose voluntarily to the Gram Sabha at least twice a year, the information on the schemes and programs for food security under implementation in the Gram Panchayat concerned, regarding the availability of food grains, inclusion or exclusion of beneficiaries, appointment and termination of fair price shops, quantity of food grains received and distributed and other information relevant under the Act. Further, the District Planning Committee and Committee for Metropolitan Planning constituted under Part IX A of the Constitution should be responsible to work out the requirement of food and its storage at different locations in the Annual Plan for their respective areas. The Committee further recommend that in Clause 34, the following sentence may be added after the existing sentence:

The State Government shall make available the required funds and functionaries to the institutions of local self government to enable them to perform the responsibilities vested in them under the Act.

### (k) Provisions for advancing food security

# A. Special focus on vulnerable groups in remote, hilly and tribal areas:

**3.55 Clause 38** – The Central Government and the State Governments shall, while implementing the provisions of this Act and the schemes for meeting specified entitlements, give special focus to the needs of the vulnerable groups especially in remote areas and other areas which are difficult to access, hilly and tribal areas for ensuring their food security.

## 3.56 Summary of views/suggestions placed before the Committee

**Ministry of Tribal Affairs** – The tribals require nutrition as well as adequate food supply including millets. So such provisions should be explicitly made in the rules in accordance with Clause 38 of the Bill.

**State Government of Jammu & Kashmir** – While agreeing with the current provisions of the Bill, the State Government is committed to provide Food security to the people living in hilly, remote, inaccessible and tribal areas and had earlier proposed higher scale of food grains for these people and is already shouldering this responsibility.

Smt. Brinda Karat, Ex.M.P., Rajya Sabha – A provision should be added to ensure supplies to these sections and areas and the Central government should make special financial allocations for the same

# **B.** Enabling Provisions

Clause 39 – The Central Government, the State Governments and local authorities shall, for the purpose of advancing food and nutritional security, strive to progressively realise the objectives specified in Schedule III.

Schedule III provides provisions for advancing food security as under:-

- (1) Revitalisation of Agriculture -
  - (a) agrarian reforms through measures for securing interests of small and marginal farmers;
  - (b) increase in investments in agriculture, including research and development, extension services, micro and minor irrigation and power to increase productivity and production;
  - (c) ensuring remunerative prices, credit, irrigation, power, crop insurance, etc.;
  - (d) prohibiting unwarranted diversion of land and water from food production.
- (2) Procurement, Storage and Movement related interventions-
  - (a) incentivising decentralised procurement including procurement of coarse grains;

- (b) geographical diversification of procurement operations;
- (c) augmentation of adequate decentralised modern and scientific storage;
- (d) giving top priority to movement of foodgrains and providing sufficient number of rakes for this purpose, including expanding the line capacity of railways to facilitate foodgrain movement from surplus to consuming regions.

### (3) Others: Access to-

- (a) safe and adequate drinking water and sanitation;
- (b) health care;
- (c) nutritional, health and education support to adolescent girls;
- (d) adequate pensions for senior citizens, persons with disability and single women.

# 3.57 Summary of views/suggestions placed before the Committee

**State Government of Bihar** – Instead of leaving it to the realm of uncertainty, in-depth assessment of expenditure on the provisions for advancing Food Security as specified in Schedule III, should be made as this would be cardinal to the long term success of the desired objectives as envisaged in this Bill and funds for the same should be provided for by the Central government to the States.

**Prof. M. S. Swaminathan, MP, Rajya Sabha** – Among the enabling provisions, which do not constitute legal entitlements, mention should be made of adequate efforts in the field of safe storage of food grains, food safety, assurance of a remunerative price to farmers, implementation of National Policy for Farmers, Rajiv Gandhi Drinking Water Mission, Mahatma Gandhi Total Sanitation Programme, and the Rural and Urban Health Missions.

**Smt. Brinda Karat, Ex. MP, Rajya Sabha** – A specific time frame should be set in the main body of the Bill and the establishment of a mechanism to monitor the implementation of the Schedule

### Recommendations of the Committee

3.58 The Committee note that Clause 38 of the Bill seeks to give special focus to the needs of vulnerable groups especially in remote, hilly and tribal areas and other areas which are difficult to access for ensuring their food security. Keeping in view the nutritional requirements of these groups, the Committee desire that special emphasis should be given on local produce of these areas such as millets, ragi, madhuva, etc. to meet their nutritional requirements.

While noting that the provisions for advancing food security as specified in Schedule III of the Bill are crucial, the Committee find that the Bill simply mentions that revitalization of agriculture, procurement, storage, movement and access to drinking water, health care, sanitation etc. as steps to advancing food security without giving any details as to the course of action to be followed and the time schedule within which it will be done. The Committee desire that besides looking into these aspects, it should also be the endeavour of the Government to ensure proper implementation of the related welfare Schemes and Programmes like Rajiv Gandhi Drinking Water Mission, Mahatma Gandhi Total Sanitation Programme, and the Rural and Urban Health Missions. The Committee further desire that the Government should consider amending the following provision in Schedule III of the Bill:-

- (1) (c) may be modified as "ensuring livelihood security to farmers by way of remunerative prices, access to inputs, credit, irrigation, power, crop insurance, etc."
- (l) Miscellaneous Other Welfare Schemes
- **3.59 Clause 40** The provisions of this Act shall not preclude the Central Government or the State Governments from continuing or formulating other food based welfare schemes.
- 3.60 Summary of the views/suggestions placed before the Committee

World Food Programme (WFP), New Delhi – The outcome focus may be strengthened through institutionalization of independent evaluations of outcomes with fixed periodicity. Synergies may be built with Annual Health Outcome Survey for measurement of nutritional outcomes or with Central Statistical Organization who have such survey built in with a frequency 3-5 years, covering the entire country.

**Shri Naveen Jindal, MP (LS)** – Necessary changes should be made in the provision of the Bill based on the impact assessment every five years by the Central Government

### Recommendation of the Committee

3.61 Clause 40 of the Bill provides for other welfare schemes which states that the provisions of this Act shall not preclude the Central Government or the State Governments from continuing or formulating other food based welfare schemes. Though there are many schemes being implemented by the Government in this direction, yet the Committee feel that the Food Security Bill should be looked upon as a vehicle which will contribute to reduction in the level of malnutrition. In this context, the scheme should have regular

independent evaluation and should also have nutritional outcome as means of measuring achievement. The Committee, therefore, desire that the focus on impact assessment may be strengthened through institutionalization of independent evaluations of outcomes, with fixed periodicity in coordination with the Ministry of Health for measurement of nutritional outcomes with a frequency of 3-5 years, covering the entire country. The Committee, therefore, recommend to insert in Clause 40 of the Bill as under:-

'Necessary changes should be made in provision of the Bill based on the impact assessments regarding change in health indicators etc. with the roll out of the food security plans, every 5 years by the Central Government.'

### (m) Power to Amend Schedules

- **3.62 Clause 45 (1)** If the Central Government is satisfied that it is necessary or expedient so to do, it may, by notification, amend Schedule I or Schedule II or Schedule III and thereupon Schedule I or Schedule III or Schedule III, as the case may be, shall be deemed to have been amended accordingly.
- (2) A copy of every notification issued under sub-section (1), shall be laid before each House of Parliament as soon as may be after it is issued.

**Clause 46** – The Central Government may, from time to time, give such directions, as it may consider necessary, to the State Governments, for the effective implementation of the provisions of this act and the State Government shall comply with such directions.

# 3.63 Summary of the views/suggestions placed before the Committee

**State Government of Bihar –** In Clause 46, Government of India should take the concurrence of the State Government before making rules.

**State Government of Rajasthan** – Amendment of schedules in Clause 45(1) may be done after due consultation with the State Government.

Ministry of Law and Justice – When asked whether it is a common practice to empower the Central Government to amend the Schedules to the Bills, the Department stated that it is a legislative practice to make such provision in the Bills conferring powers upon the Central Government to amend Schedules, if the Government is satisfied that it is necessary or expedient so to do. The provisions of any Act are modified or amended through an amending Bill.

In reply to a query about the difference in procedure for amendments to the provisions of the Bill through notification vis-a-vis bringing amendment Bills to amend the provisions of the Bill including their Schedules, the Department stated that Chapter 9 of the 'Manual of Parliamentary Procedures in the Government of India' lays down a detailed procedure with regard to legislation. It makes provisions for initiating legislation; pre-drafting stage; formulation of legislative proposals; consultation with the Ministry of Law and Justice; approval of the Cabinet; drafting stage; format of the Bill; approval of the Cabinet on the Bill; and action to be taken after Cabinet decision according to the practice and procedure followed with respect to the Bills in Parliament.

The laid down procedure is required to be followed by all Ministries/ Departments for all proposals relating to Bills, whether it is principal legislation or amending legislation.

However, amending Schedule of any Act by notification is a simple procedure. The notifications are formulated within the scope of delegated powers under the provisions of the principal Act and issued after the approval of the competent authority, that is, the Minister concerned. Such notifications fall under the category of subordinate or delegated legislation which is subject to Parliamentary scrutiny. These notifications are required to be laid before both the Houses of Parliament and once laid. Parliament may amend or modify or rescind the notification so issued by the Government and in that event, the notification shall have effect only in such modified form.

When asked to give examples of a few important legislations which contain such provisions, the Department informed the Committee that the following are few important laws which contain provision on the lines of Clause 45 of the National Food Security Bill, 2011 empowering the Government to amend Schedule by notification, namely:-

- (i) The Drugs and Cosmetics Act, 1940 (Section 330);
- (ii) The Industrial Disputes Act, 1947 (Section 40);
- (iii) The Emblems and Names Prevention of Improper Use Act,1950 (Section 8);
- (iv) The Taxation Laws (Continuation and Validation of Recovery Proceedings) Act, 1964 (Section 4);
- (v) The Police Force (Registration of Rights) Act, 1966 (Section 5);
- (vi) The Customs Tariff Act, 1975 (Section 11A);
- (vii) The Agricultural and Processed Food Products Export Development Authority Act, 1985 (Section 3);

- (viii) The Child Labour (Prohibition and Regulation) Act, 1986 (Section 4);
- (ix) The Haj Committee Act, 2002 (Section 41);
- (x) The Prevention and Control of Infectious and Contagious Diseases in Animals Act, 2009 (Section 38);
- (xi) The Right to Children to free and Compulsory Education Act, 2009 (Section 20);
- (xii) The National Green Tribunal Act, 2010 (Section 34).

### Recommendation of the Committee

3.64 The Committee note that Clause 45 of the Bill provides that if the Central Government is satisfied that it is necessary or expedient so to do, it may by notification amend Schedule I or Schedule II or Schedule III as the case may be, and thereupon such Schedule shall be deemed to have been amended accordingly. The Committee find that such provisions are normal practice and many Acts of the Government such as The Drugs and Cosmetics Act, 1940, the Industrial Disputes Act, 1947, The National Green Tribunal Act, 2010, the Customs Tariff Act, 1975, the Right to Children to free and Compulsory Education Act, 2009 (Section 20) etc. also contain similar provisions. The Committee, therefore, agree with the proposed provision of the National Food Security Bill.

**3.65 Clause 52** - The Central Government, or as the case may be the State Government, shall not be liable for any claim by persons belonging to the priority households or general households or other groups entitled under this Act for loss, damage, or compensation; whatsoever, arising out of failure of supply of foodgrains or meals when such failure of supply is due, either directly or indirectly, to force majeure conditions, such as, war, flood, drought, fire, cyclone, earthquake or any act of God.

# 3.66 Summary of the views/suggestions placed before the Committee

**Smt. Brinda Karat, Ex-MP (RS)** – To delete Clause 52 as during the circumstances stated, i.e. flood, drought or natural calamity, Government will have no liability and such acts are stated as "acts of God."

### Recommendation of the Committee

3.67 The Committee note that Clause 52 of the Bill states that if there is a natural calamity such as war, flood, drought, fire, cyclone, earthquake or any act of God which leads failure to supply of foodgrains, neither the Central Government nor the State Government, as the case may be, shall be held liable. The Committee

observe that many parts of the country are perennially affected by either floods or drought or sometimes both, in different regions for which contingent plan of action could be drawn up in advance. The Committee feel that as the NFSB is meant to provide food security to all the citizens, the Government should not leave the affected persons to defend themselves when they most need the help and support of the Government. It is also noted that black marketers and profiteers are out to make profits from the vulnerability of the affected population in such times of difficulty. The Committee are of the view that in a Welfare State like India, the Government cannot shy away from its responsibility towards their citizens under any circumstances, be it natural calamity or otherwise. On the contrary, the Government should be committed to meet any contingency arising out of natural calamity or otherwise and help its victimized citizens to the extent possible. The Committee, therefore, feel that the provisions of Clause 52 of the Bill should not stand part of the Bill and may be deleted.

New Delhi 11 January 2013 21 Pause, 1934 (Saka) VILAS MUTTEMWAR,
Chairman,
Standing Committee on Food,
Consumer Affairs and Public Distribution

# Appendix I

List of Central Ministries/Organizations/Institutions/Individuals which appeared before the Committee for evidence and State Governments with whom the Committee have discussions;

- I. Central Ministries/Departments of Government of India
  - 1. Department of Rural Development,
  - 2. Agriculture,
  - 3. Panchayati Raj,
  - 4. Social Justice and Empowerment,
  - 5. Tribal Affairs,
  - 6. Finance (Departments of (i) Expenditure and (ii) Economic Affairs),
  - 7. Health and Family Welfare,
  - 8. Women and Child Development,
  - 9. Railways.

# II. UN Agencies/Organizations/Institutions

- 1. Food and Agriculture Organization (FAO), New Delhi.
- 2. World Food Programme (WFP), New Delhi.
- 3. United Nations International Children Emergency Fund (UNICEF), New Delhi.
- 4. National Commission for Protection of Child Rights (NCPRC), New Delhi.
- 5. All India Women Democratic Association, New Delhi.
- 6. Unique Identification Authority of India (AIDAI), New Delhi.
- 7. National Informatics Centre (NIC), New Delhi.
- 8. Right to Food Campaign, New Delhi.

### III. Individuals

- 1. Shri Naveen Jindal, MP (Lok Sabha),
- 2. Shri N.K. Singh, MP (Rajya Sabha),

- 3. Mr. Jean Dreze, Honorary Professor, Delhi School of Economics,
- 4. Ms. Reetika Khera, Asstt. Professor, IIT Delhi,
- 5. Prof. M.S. Swaminathan, MP (Rajya Sabha),
- 6. Smt. Brinda Karat, Ex. MP (Rajya Sabha).
- IV. State Governments with whom the Committee have interactions during their study visit during July and November, 2012.
  - 1. Meghalaya,
  - 2. Assam,
  - 3. Bihar,
  - 4. Jammu & Kashmir,
  - 5. Odisha,
  - 6. Andhra Pradesh,
  - 7. Kerala.

# Appendix II

### NOTE OF DISSENT

DR. T.N. SEEMA, M.P. (RS)

I wish to record my disagreement and dissent on some recommendations of the Committee as well as on some recommendations not made by the Committee which I feel should have been made. I have expressed these views in the course of the discussions in the Committee also. However the final report in my opinion is not satisfactory on these issues fundamental to the question of food security, thus this note of dissent.

- 1. The entitlements in the Bill should be universal in nature with no caps artificially decided. However the Committee has recommended only a uniform entitlement not a universal one. Thus the numbers of those to be covered by even a uniform entitlement will be subject to the arbitrary caps put by the Planning Commission of 75 per cent (rural) and 50 per cent (urban). In fact the Committee specifically recommends these caps in para 2.5. This undermines food security in a fundamental way. The recommendation of the Committee is only that the State Governments if they want can increase the coverage at their own cost. This is both meaningless and unfair. At present the Bill specifically states that all foodgrains provided by the centre to the States have to be distributed as mandated. This means that the Sates which are using the foodgrains at present to ensure near universal coverage will no longer be able to do so. They will mean the elimination of the effective food programmes being run by several State Governments. The Committee has failed to take these factors into account.
- 2. The uniform entitlement recommended by the Committee at 5 kg. per head is quite unacceptable as it would reduce even the present entitlement for BPL and AAY families of 35 kgs. effectively by 10 kgs. for a family of five. This cut in entitlement will be creating food insecurity for 6.52 crore families (presently identified as BPL/Antodaya). This will only help the Government to contain its subsidy but not provide food security which is the aim of the Bill. It would have been better to have kept the entitlement to 7 kgs. per individual for all with a minimum of 35 kgs. ensured by law. Larger families would in any case be covered through the individual entitlement.
- 3. The Committee has correctly recommended a uniform price for all. However it has adopted the prices of three rupees, two rupees and one rupee, for one kg. of rice, wheat and millets respectively. While this is beneficial for those who would have been categorized as "general sections" in the Government Bill, it is not doing justice to the Antodaya sections who are getting their allotments at two rupees per kg. which has also been adopted as the price norm for non-

Antodaya sections in many States. Thus the committee's recommendation should have been taken into account the present situation in the States and suggested a uniform price of 35 kgs(minimum) at two rupee a kilo.

- 4. The Bill has been rightly criticized by many of the representations being highly centralized. This is more so as far as the cost sharing issue is concerned. In a central Bill the centre must bear the major share of cost. Many State Governments said that the entire cost should be born by the centre. However the Committee has recommended categorization of States. This is opening up a pandora's box and will lead to giving the centre even more powers to pick and choose the categories. States with a particular problem of transportation such as the north-east States should get the benefit of the centre paying for the full amount. In any case no cost sharing can be decided by central Government arbitrarily as is being done with many schemes and laws. The relevant clauses in the Bill which deal with this topic must be deleted, otherwise it is extremely unfair to the States and moreover undermines the federal character of the constitution.
- 5. On the issue of direct cash transfers the recommendation of the Committee is that "at this juncture" it should not be introduced as the infrastructure is absent. While this note of caution should be taken seriously by the Government, the Committee however has failed to recommend, as it should have, that reference to cash transfers in the Bill should be removed altogether. I believe it is essential to emphasise in the recommendation that cash subsidy will not cover the entire cost of 35 kgs. entitlement. Further, since there is no guarantee as to how the cash will be spent, it may lead to further malnutrition. Retaining the cash transfer clause in the law would mean that a Government would have the legal right to enforce it.
- 6. I think it is wrong for the Committee to make a specific recommendation to limit the allowance of 1000 rupees to a pregnant woman for only the first two children. This is imposing a two child norm which is objectionable. The problems she face will be the same, if not more with a third child. Why should we make the woman suffer, when she rarely has the power to take the decision about the numbers of children she should bear. As far as anganwadis are concerned, the Committee has wrongly absolved the Government from providing free meals and added nutrition for pregnant mothers. There are other points such as fixing control prices for pulses, edible oil and other essential commodities which should be included in the Bill.

Sd/-DR. T.N. SEEMA, MEMBER OF PARLIAMENT, RAJYA SABHA

# THE NATIONAL FOOD SECURITY ORDINANCE, 2013

(Promulgated on  $5^{\text{th}}$  July, 2013)



#### असाधारण

### **EXTRAODINARY**

भाग II - खण्ड 1

PART II - Section 1

प्राधिकार से प्रकाशित

### PUBLISHED BY AUTHORITY

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इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके। Separate paging is given to this Part in order that it may be filed as a separate compilation.

# MINISTRY OF LAW AND JUSTICE (Legislative Department)

New Delhi, the 5th July, 2013/Asadha 14, 1935 (Saka)

# THE NATIONAL FOOD SECURITY ORDINANCE, 2013 NO. 7 OF 201**3**

Promulgated by the President in the Sixty-fourth Year of the Republic of India.

An Ordinance to provide for food and nutritional security in human life cycle approach, by ensuring access to adequate quantity of quality food at affordable prices to people to live a life with dignity and for matters connected therewith or incidental thereto.

WHEREAS the National Food Security Bill, 2011 was introduced in the House of People on the 22nd day of December, 2011 and referred to the Department-related Parliamentary Standing Committee on Food, Consumer

Affairs and Public Distribution which gave its report on the 17th day of January, 2013 but the said Bill has not been passed;

AND WHEREAS in pursuance of the constitutional obligations, it is considered necessary to enact a law providing for food security to the people of the country to live a life with dignity;

AND WHEREAS Parliament is not in session and the President is satisfied that circumstances exist which render it necessary for him to take immediate action to give effect to the provisions of the said Bill with certain modifications;

NOW, THEREFORE, in exercise of the powers conferred by clause(1) of article 123 of the Constitution, the President is pleased to promulgate the following Ordiance:-

### CHAPTER I

### **PRELIMINARY**

Short title, extent and commence ment.

- **1.** (1) This Ordinance may be called the National Food Security Ordinance, 2013.
  - (2) It extends to the whole of India.
- (3) Save as otherwise provided, it shall come into force at once.

Definitions.

- **2.** In this Ordinance, unless the context otherwise requires,—
- (1) "anganwadi" means a child care and development centre set up under the Integrated Child Development Services Scheme of the Central Government to render services covered under section 4, clause (a) of sub-section (1) of section 5 and section 6;
- (2) "central pool" means the stock of foodgrains which is,-
  - (i) procured by the Central Government and the State Governments through minimum support price operations;

- (ii) maintained for allocations under the Targeted Public Distribution System, other welfare schemes, including calamity relief and such other schemes;
- (iii) kept as reserves for schemes referred to in sub-clause (ii);
- (3) "eligible households" means households covered under the priority households and the Antyodaya Anna Yojana referred to in sub-section (1) of section 3;
- (4) "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;
- (5) "foodgrains" means rice, wheat or coarse grains or any combination thereof conforming to such quality norms as may be determined, by order, by the Central Government from time to time;
- (6) "food security" means the supply of the entitled quantity of foodgrains and meal specified under Chapter II;
- (7) "food security allowance" means the amount of money to be paid by the concerned State Government to the entitled persons under section 8;
- (8) "local authority" includes Panchayat, municipality, district board, cantonment board, town planning authority and in the States of Assam, Manipur, Meghalaya, Mizoram, Nagaland and Tripura where Panchayats do not exist, the village council or committee or any other body, by whatever name called, which is authorised under the Constitution or any law for the time being in force for self-governance or any other authority or body vested with the control and management of civic services, within a specified local area;

10 of 1955.

- (9) "meal" means hot cooked meal or ready to eat meal or take home ration, as may be prescribed by the Central Government;
- (10) "minimum support price" means the assured price announced by the Central Government at which foodgrains are procured from farmers by the Central Government and the State Governments and their agencies, for the central pool;
- (11) "notification" means a notification issued under this Ordinance and published in the Official Gazette;
- (12) "other welfare schemes" means such Government schemes, in addition to the Targeted Public Distribution System, under which foodgrains or meals are supplied as part of the schemes;
- (13) "person with disability" means a person defined as such in clause (t) of section 2 of the Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1995;

1 of 1996.

- (14) "priority households" means households identified as such under section 10;
- (15) "prescribed" means prescribed by rules made under this Ordinance;
- (16) "ration card" means a document issued under an order or authority of the State Government for the purchase of essential commodities from the fair price shops under the Targeted Public Distribution System;
- (17) "rural area" means any area in a State except those areas covered by any urban local body or a cantonment board established or constituted under any law for the time being in force;
- (18) "Schedule" means a Schedule appended to this Ordinance;
- (19) "senior citizen" means a person defined as such under clause (h) of section 2 of the

Maintenance and Welfare of Parents and Senior Citizens Act, 2007; 56 of 2007.

- (20) "social audit" means the process in which people collectively monitor and evaluate the planning and implementation of a programme or scheme;
- (21) "State Commission" means the State Food Commission constituted under section 16;
- (22) "State Government", in relation to a Union territory, means the Administrator thereof appointed under article 239 of the Constitution;
- (23) "Targeted Public Distribution System" means the system for distribution of essential commodities to the ration card holders through fair price shops;
- (24) "Vigilance Committee" committee constituted under section 29 supervise the implementation of all schemes under this Ordinance;
- (25) the words and expressions not defined here but defined in the Essential Commodities Act, 1955, or any other relevant Act shall have the 10 of 1955. meaning respectively assigned to them in those Acts.

### CHAPTER II

### Provisions for Food Security

(1) Every person belonging to priority households, identified under sub-section (1) of section 10, shall be entitled to receive five kilograms of foodgrains per person per month at subsidised prices specified in Schedule I from the State Government under the Targeted Public Distribution System:

Provided that the households covered under Antyodaya Anna Yojana shall, to such extent as may be specified by the Central Government for each State in the said scheme, be entitled to thirtyfive kilograms of foodgrains per household per month at the prices specified in Schedule I:

Right to receive foodgrains at subsidised prices by persons belonging to eligible households under Targeted Public Distribution System.

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Explanation.- For the purpose of this section, the "Antyodaya Anna Yojana" means, the scheme by the said name launched by the Central Government on the 25th day of December, 2000; and as modified from time to time.

- (2) The entitlements of the persons belonging to the eligible households referred to in sub-section (1) at subsidised prices shall extend up to seventy-five per cent. of the rural population and up to fifty per cent. of the urban population.
- (3) Subject to sub-section (1), the State Government may provide to the persons belonging to eligible households, wheat flour in lieu of the entitled quantity of foodgrains in accordance with such guidelines as may be specified by the Central Government.
- **4.** Subject to such schemes as may be framed by the Central Government, every pregnant woman and lactating mother shall be entitled to-
- (a) meal, free of charge, during pregnancy and six months after the child birth, through the local anganwadi, so as to meet the nutritional standards specified in Schedule II; and
- (b) maternity benefit of not less than rupees six thousand, in such instalments as may be prescribed by the Central Government:

Provided that all pregnant women and lactating mothers in regular employment with the Central Government or State Governments or Public Sector Undertakings or those who are in receipt of similar benefits under any law for the time being in force shall not be entitled to benefits specified in clause (b).

**5.** (1) Subject to the provisions contained in clause (b), every child up to the age of fourteen years shall have the following entitlements for his nutritional needs, namely:—

Nutritional support to pregnant women and lactating mothers.

Nutritional support to children.

(a) in the case of children in the age group of six months to six years, age appropriate meal, free of charge, through the local anganwadi so as to meet the nutritional standards specified in Schedule II:

Provided that for children below the age of six months, exclusive breast feeding shall be promoted;

- (b) in the case of children, up to class VIII or within the age group of six to fourteen years, whichever is applicable, one mid-day meal, free of charge, everyday, except on school holidays, in all schools run by local bodies, Government and Government aided schools, so as to meet the nutritional standards specified in Schedule II.
- (2) Every school, referred to in clause (b) of sub-section (1), and *anganwadi* shall have facilities for cooking meals, drinking water and sanitation:

Provided that in urban areas facilities of centralised kitchens for cooking meals may be used, wherever required, as per the guidelines issued by the Central Government.

**6.** The State Government shall, through the local *anganwadi*, identify and provide meals, free of charge, to children who suffer from malnutrition, so as to meet the nutritional standards specified in Schedule II.

Prevention and management of child malnutrition.

7. The State Governments shall implement schemes covering entitlements under sections 4, 5 and section 6 in accordance with the guidelines, including cost sharing, between the Central Government and the State Governments in such manner as may be prescribed by the Central Government.

Implementation of schemes for realisation of entitlements.

### CHAPTER III

### FOOD SECURITY ALLOWANCE

**8.** In case of non-supply of the entitled quantities of foodgrains or meals to entitled persons under Chapter II, such persons shall be

Right to receive foodsecurity allowance in certain cases. entitled to receive such food security allowance from the concerned State Government to be paid to each person, within such time and manner as may be prescribed by the Central Government.

### CHAPTER IV

### IDENTIFICATION OF ELIGIBLE HOUSEHOLDS

Coverage of population under Targeted Public Distribution System.

State Government to prepare guidelines and to identify priority households.

- 9. The percentage coverage under the Targeted Public Distribution System in rural and urban areas for each State shall, subject to subsection (2) of section 3, be determined by the Central Government and the total number of persons to be covered in such rural and urban areas of the State shall be calculated on the basis of the population estimates as per the census of which the relevant figures have been published.
- **10.** (1) The State Government shall, within the number of persons determined under section 9 for the rural and urban areas, identify—
  - (a) the households to be covered under the Antyodaya Anna Yojana to the extent specified under sub-section (1) of section 3, in accordance with the guidelines applicable to the said scheme;
  - (b) the remaining households as priority households to be covered under the Targeted Public Distribution System, in accordance with such guidelines as the State Government may specify:

Provided that the State Government may, as soon as possible, but within such period not exceeding three hundred and sixty-five days, after the commencement of the Ordinance, identify the eligible households in accordance with the guidelines framed under this sub-section:

Provided further that the State Government shall continue to receive the allocation of foodgrains from the Central Government under the existing Targeted Public Distribution System, till the identification of such households is complete.

- (2) The State Government shall update the list of eligible households, within the number of persons determined under section 9 for the rural and urban areas, in accordance with the guidelines framed under sub-section (1).
- 11. The State Government shall place the list of the identified eligible households in the public domain and display it prominently.

Publication and display of list of eligible households.

### CHAPTER V

# REFORMS IN TARGETED PUBLIC DISTRIBUTION SYSTEM

**12.** (1) The Central and State Governments shall endeavour to progressively undertake necessary reforms in the Targeted Public Distribution System in consonance with the role envisaged for them in this Ordinance.

Reforms in Targeted Public Distribution System.

- (2) The reforms shall, *inter alia*, include—
  - (a) doorstep delivery of foodgrains to the Targeted Public Distribution System outlets;
  - (b) application of information and communication technology tools including end-to-end computerisation in order to ensure transparent recording of transactions at all levels, and to prevent diversion;
  - (c) leveraging "aadhaar" for unique identification, with biometric information of entitled beneficiaries for proper targeting of benefits under this Ordinance;
    - (d) full transparency of records;
  - (e) preference to public institutions or public bodies such as Panchayats, self help groups, co-operatives, in licensing of fair price shops and management of fair price shops by women or their collectives;

- (f) diversification of commodities distributed under the Public Distribution System over a period of time;
- (g) support to local public distribution models and grains banks;
- (h) introducing schemes, such as, cash transfer, food coupons, or other schemes, to the targeted beneficiaries in lieu of their foodgrain entitlements specified in Chapter II, in such area and manner as may be prescribed by the Central Government.

# CHAPTER VI Women Empowerment

Women of eighteen years of age or above to be head of household for purpose of issue of ration cards.

- **13.** (1) The eldest woman who is not less than eighteen years of age, in every eligible household, shall be head of the household for the purpose of issue of ration cards.
- (2) Where a household at any time does not have a woman or a woman of eighteen years of age or above, but has a female member below the age of eighteen years, then, the eldest male member of the household shall be the head of the household for the purpose of issue of ration card and the female member, on attaining the age of eighteen years, shall become the head of the household for such ration cards in place of such male member.

# CHAPTER VII Grievance Redressal Mechanism

Internal grievance redressal mechanism.

14. Every State Government shall put in place an internal grievance redressal mechanism which may include call centres, help lines, designation of nodal officers, or such other mechanism as may be prescribed.

District Grievance Redressal Officer. 15. (1) The State Government shall appoint or designate, for each district, an officer to be the District Grievance Redressal Officer for expeditious and effective redressal of

grievances of the aggrieved persons in matters relating to distribution of entitled foodgrains or meals under Chapter II, and to enforce the entitlements under this Ordinance.

- (2) The qualifications for appointment as District Grievance Redressal Officer and its powers shall be such as may be prescribed by the State Government.
- (3) The method and terms and conditions of appointment of the District Grievance Redressal Officer shall be such as may be prescribed by the State Government.
- (4) The State Government shall provide for the salary and allowances of the District Grievance Redressal Officer and other staff and such other expenditure as may be considered necessary for their proper functioning.
- (5) The officer referred to in sub-section (1) shall hear complaints regarding non-distribution of entitled foodgrains or meals, and matters relating thereto, and take necessary action for their redressal in such manner and within such time as may be prescribed by the State Government.
- (6) Any complainant or the officer or authority against whom any order has been passed by officer referred to in sub-section (1), who is not satisfied with the redressal of grievance may file an appeal against such order before the State Commission.
- (7) Every appeal under sub-section (6) shall be filed in such manner and within such time as may be prescribed by the State Government.
- **16.** (1) Every State Government may, by notification, constitute a State Food Commission for the purpose of monitoring and review of implementation of this Ordinance.

State Food Commission

- (2) The State Commission shall consist of—
  - (a) a Chairperson;
  - (b) five other Members; and

(i) a Member-Secretary, who shall be an officer of the State Government not below the rank of Joint Secretary to that Government:

Provided that there shall be at least two women, whether Chairperson, Member or Member-Secretary:

Provided further that there shall be one person belonging to the Scheduled Castes and one person belonging to the Scheduled Tribes, whether Chairperson, Member or Member-Secretary.

- (3) The Chairperson and other Members shall be appointed from amongst persons—
  - (a) who are or have been member of the All India Services or any other civil services of the Union or State or holding a civil post under the Union or State having knowledge and experience in matters relating to food security, policy making and administration in the field of agriculture, civil supplies, nutrition, health or any allied field; or
  - (b) of eminence in public life with wide knowledge and experience in agriculture, law, human rights, social service, management, nutrition, health, food policy or public administration; or
  - (c) who have a proven record of work relating to the improvement of the food and nutrition rights of the poor.
- (4) The Chairperson and every other Member shall hold office for a term not exceeding five years from the date on which he enters upon his office and shall be eligible for reappointment:

Provided that no person shall hold office as the Chairperson or other Member after he has attained the age of sixty-five years.

(5) The method of appointment and other terms and conditions subject to which

the Chairperson, other Members and Member-Secretary of the State Commission may be appointed, and time, place and procedure of meetings of the State Commission (including the quorum at such meetings) and its powers, shall be such as may be prescribed by the State Government.

- (6) The State Commission shall undertake the following functions, namely:—
  - (a) monitor and evaluate the implementation of this Ordinance, in relation to the State;
  - (b) either suo motu or on receipt of complaint inquire into violations of entitlements provided under Chapter II;
  - (*i*) give advice to the State Government on effective implementation of this Ordinance;
  - (d) give advice to the State Government, their agencies, autonomous bodies as well as non-governmental organisations involved in delivery of relevant services, for the effective implementation of food and nutrition related schemes, to enable individuals to fully access their entitlements specified in this Ordinance;
  - (e) hear appeals against orders of the District Grievance Redressal Officer;
  - (f) prepare annual reports which shall be laid before the State Legislature by the State Government.
- (7) The State Government shall make available to the State Commission, such administrative and technical staff, as it may consider necessary for proper functioning of the State Commission.
- (8) The method of appointment of the staff under sub-section (7), their salaries, allowances and conditions of service shall be such, as may be prescribed by the State Government.

- (9) The State Government may remove from office the Chairperson or any Member who—
  - (a) is, or at any time has been, adjudged as an insolvent; or
  - (b) has become physically or mentally incapable of acting as a member; or
  - (i) has been convicted of an offence which, in the opinion of the State Government, involves moral turpitude; or
  - (d) has acquired such financial or other interest as is likely to affect prejudicially his functions as a member; or
  - (e) has so abused his position as to render his continuation in office detrimental to the public interest.
- (10) No such Chairperson or Member shall be removed under clause (a) or clause (e) of subsection (9) unless he has been given a reasonable opportunity of being heard in the matter.
- 17. The State Government shall provide for salary and allowances of Chairperson, other Members, Member-Secretary, support staff, and other administrative expenses required for proper functioning of the State Commission.
- **18.** The State Government may, if considers it necessary, by notification, designate any statutory commission or a body to exercise the powers and perform the functions of the State Commission referred to in section 16.
- **19.** Notwithstanding anything contained in sub-section (1) of section 16, two or more States may have a Joint State Food Commission for the purposes of this Act with the approval of the Central Government.
- **20.** (1) The State Commission shall, while inquiring into any matter referred to in clauses (b) and (e) of sub-section (6) of section 16, have all the powers of a civil court while trying a suit under the Code of Civil Procedure, 1908, and,

Salary and allowances of Chairperson, Member, Member-Secretary and other staff of State Commission.

Designation of any Commission or body to function as State Commission.

Joint State Food Commission.

Powers relating to inquiries.

5 of 1908.

in particular, in respect of the following matters, namely:—

- (a) summoning and enforcing the attendance of any person and examining him on oath;
- (b) discovery and production of any document;
  - (c) receiving evidence on affidavits;
- (d) requisitioning any public record or copy thereof from any court or office; and
- (e) issuing commissions examination of witnesses or documents.
- (2) The State Commission shall have the power to forward any case to a Magistrate having jurisdiction to try the same and the Magistrate to whom any such case is forwarded shall proceed to hear the complaint against the accused as if the case has been forwarded to him under section 346 of the Code of Criminal Procedure, 1973.

2 of 1974.

- 21. No act or proceeding of the State Commission shall be invalid merely by reason of-
  - (a) any vacancy in, or any defect in the constitution of, the State Commission; or
  - (b) any defect in the appointment of a person as the Chairperson or a Member of the State Commission; or
  - (c) any irregularity in the procedure of the State Commission not affecting the merits of the case.

### CHAPTER VIII

OBLIGATIONS OF CENTRAL GOVERNMENT FOR FOOD SECURITY

**22.** (1) The Central Government shall, for ensuring the regular supply of foodgrains to persons belonging to eligible households, allocate

Central Government

Vacancies,

etc., not to invalidate

proceedings of State

Commission.

to allocate required

quantity of foodgrains from central pool to State Governments. from the central pool the required quantity of foodgrains to the State Governments under the Targeted Public Distribution System, as per the entitlements under section 3 and at prices specified in Schedule I.

- (2) The Central Government shall allocate foodgrains in accordance with the number of persons belonging to the eligible households identified in each State under section 10.
- (3) The Central Government shall provide foodgrains in respect of entitlements under sections 4, 5 and section 6, to the State Governments, at prices specified for the persons belonging to eligible households in Schedule I.
- (4) Without prejudice to sub-section (1), the Central Government shall,—
  - (a) procure foodgrains for the central pool through its own agencies and the State Governments and their agencies;
    - (b) allocate foodgrains to the States;
  - (c) provide for transportation of foodgrains, as per allocation, to the depots designated by the Central Government in each State;
  - (d) provide assistance to the State Government in meeting the expenditure incurred by it towards intra-State movement, handling of foodgrains and margins paid to fair price shop dealers, in accordance with such norms and manner as may be prescribed by the Central Government; and
  - (e) create and maintain required modern and scientific storage facilities at various levels.
- **23.** In case of short supply of foodgrains from the central pool to a State, the Central Government shall provide funds to the extent of short supply to the State Government for meeting

Provisions for funds by Central Government to State Government in certain cases. obligations under Chapter II in such manner as may be prescribed by the Central Government.

### CHAPTER IX

# OBLIGATIONS OF STATE GOVERNMENT FOR FOOD SECURITY

- 24. (1) The State Government shall be responsible for implementation and monitoring of the schemes of various Ministries and Departments of the Central Government in accordance with guidelines issued by the Central Government for each scheme, and their own schemes, for ensuring food security to the targeted beneficiaries in their State.
- (2) Under the Targeted Public Distribution System, it shall be the duty of the State Government to—
  - (a) take delivery of foodgrains from the designated depots of the Central Government in the State, at the prices specified in Schedule I, organise intra-State allocations for delivery of the allocated foodgrains through their authorised agencies at the door-step of each fair price shop; and
  - (b) ensure actual delivery or supply of the foodgrains to the entitled persons at the prices specified in Schedule I.
- (3) For foodgrain requirements in respect of entitlements under sections 4, 5 and section 6, it shall be the responsibility of the State Government to take delivery of foodgrains from the designated depots of the Central Government in the State, at the prices specified in Schedule I for persons belonging to eligible households and ensure actual delivery of entitled benefits, as specified in the sections aforesaid.
- (4) In case of non-supply of the entitled quantities of foodgrains or meals to entitled persons under Chapter II, the State Government

Implementation and monitoring of schemes for ensuring food security. shall be responsible for payment of food security allowance specified in section 8.

- (5) For efficient operations of the Targeted Public Distribution System, every State Government shall,—
  - (a) create and maintain scientific storage facilities at the State, District and Block levels, being sufficient to accommodate foodgrains required under the Targeted Public Distribution System and other food based welfare schemes;
  - (b) suitably strengthen capacities of their Food and Civil Supplies Corporations and other designate dagencies;
  - (c) establish institutionalised licensing arrangements for fair price shops in accordance with the relevant provisions of the Public Distribution System (Control) Order, 2001 made under the Essential Commodities Act, 1955, as amended from time to time.

10 of 1955

### CHAPTER X

### Obligations of Local Authorities

Implementation of Targeted Public Distribution System by local authority in their areas.

- **25.** (1) The local authorities shall be responsible for the proper implementation of this Act in their respective areas.
- (2) Without prejudice to sub-section (1), the State Government may assign, by notification, additional responsibilities for implementation of the Targeted Public Distribution System to the local authority.

Obligation of local authority.

26. In implementing different schemes of the Ministries and Departments of the Central Government and the State Governments, prepared to implement provisions of this Act, the local authorities shall be responsible for discharging such duties and responsibilities as may be assigned to them, by notification, by the respective State Governments.

### CHAPTER XI

### Transparency And Accountability

27. All Targeted Public Distribution System related records shall be placed in the public domain and kept open for inspection to the public, in such manner as may be prescribed by the State Government.

Disclosure of records of Targeted Public Distribution System.

**28.** (1) Every local authority, or any other authority or body, as may be authorised by the State Government, shall conduct or cause to be conducted, periodic social audits on the functioning of fair price shops, Targeted Public Distribution System and other welfare schemes, and cause to publicise its findings and take necessary action, in such manner as may be prescribed by the State Government.

Conduct of social audit.

- (2) The Central Government may, if it considers necessary, conduct or cause to be conducted social audit through independent agencies having experience in conduct of such audits.
- Setting up of Vigilance Committees.
- 29. (1) For ensuring transparency and proper functioning of the Targeted Public Distribution System and accountability of the functionaries in such system, every State Government shall set up Vigilance Committees as specified in the Public Distribution System (Control) Order, 2001, made under the Essential Commodities Act, 1955, as amended from time to time, at the State, District, Block and fair price shop levels consisting of such persons, as may be prescribed by the State Government giving due representation to the local authorities, the Scheduled Castes, the Scheduled Tribes, women and destitute persons or persons with disability.
- (2) The Vigilance Committees shall perform the following functions, namely:—

10 of 1955

- (a) regularly supervise the implementation of all schemes under this Ordinance;
- (b) inform the District Grievance Redressal Officer, in writing, of any violation of the provisions of this Ordinance; and
- (i) inform the District Grievance Redressal Officer, in writing, of any malpractice or misappropriation of funds found by it.

#### CHAPTER XII

# Provisions For Advancing Food Security

Food security of people living in remote, hilly and tribal areas. **30.** The Central Government and the State Governments shall, while implementing the provisions of this Act and the schemes for meeting specified entitlements, give special focus to the needs of the vulnerable groups especially in remote areas and other areas which are difficult to access, hilly and tribal areas for ensuring their food security.

Steps to further advance food and nutritional security.

**31.** The Central Government, the State Governments and local authorities shall, for the purpose of advancing food and nutritional security, strive to progressively realise the objectives specified in Schedule III.

# CHAPTER XIII MISCELLANEOUS

Other welfare schemes.

- **32.** (1) The provisions of this Act shall not preclude the Central Government or the State Government from continuing or formulating other food based welfare schemes.
- (2) Notwithstanding anything contained in this Ordinance, the State Government may, continue with or formulate food or nutrition based plans or schemes providing for benefits higher than the benefits provided under this Act, from its own resources.

**33.** Any public servant or authority found guilty, by the State Commission at the time of deciding any complaint or appeal, of failing to provide the relief recommended by the District Grievance Redressal Officer, without reasonable cause, or wilfully ignoring such recommendation, shall be liable to penalty not exceeding five thousand rupees:

Penalties.

Provided that the public servant or the public authority, as the case may be, shall be given a reasonable opportunity of being heard before any penalty is imposed.

Power to adjudicate.

- **34.** (1) For the purpose of adjudging penalty under section 33, the State Commission shall authorise any of its member to be an adjudicating officer for holding an inquiry in the prescribed manner after giving any person concerned a reasonable opportunity of being heard for the purpose of imposing any penalty.
- (2) While holding an inquiry the adjudicating officer shall have power to summon and enforce the attendance of any person acquainted with the facts and circumstances of the case to give evidence or to produce any document which in the opinion of the adjudicating officer, may be useful for or relevant to the subject matter of the inquiry and if, on such inquiry, he is satisfied that the person has failed to provide the relief recommended by the District Grievance Redressal Officer, without reasonable cause, or wilfully ignored such recommendation, he may impose such penalty as he thinks fit in accordance with the provisions of section 33.
- **35.** (1) The Central Government may, by notification, direct that the powers exercisable by it (except the power to make rules), in such circumstances and subject to such conditions and limitations, be exercisable also by the State Government or an officer subordinate to the Central Government or the State Government as it may specify in the notification.

Power to delegate by Central Government and State Government. (2) The State Government may, by notification, direct that the powers exercisable by it (except the power to make rules), in such circumstances and subject to such conditions and limitations, be exercisable also by an officer subordinate to it as it may specify in the notification.

Ordinance to have overriding effect.

**36.** The provisions of this Act or the schemes made thereunder shall have effect notwithstanding anything inconsistent therewith contained in any other law for the time being in force or in any instrument having effect by virtue of such law.

Power to amend Schedules.

- **37.** (1) If the Central Government is satisfied that it is necessary or expedient so to do, it may, by notification, amend Schedule I or Schedule II or Schedule IV and thereupon Schedule I or Schedule II or Schedule IV, as the case may be, shall be deemed to have been amended accordingly.
- (2) A copy of every notification issued under sub-section (1), shall be laid before each House of Parliament as soon as may be after it is issued.

Power of Central Government give directions. **38.** The Central Government may, from time to time, give such directions, as it may consider necessary, to the State Governments for the effective implementation of the provisions of this Act and the State Governments shall comply with such directions.

Power of Central Government to make rules.

- **39.** (1) The Central Government may, in consultation with the State Governments and by notification, make rules to carry out the provisions of this Ordinance.
- (2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—
  - (a) scheme including cost sharing for providing maternity benefit to pregnant women and lactating mothers under clause (b) of section 4;

- (b) schemes covering entitlements under sections 4, 5 and section 6 including cost sharing under section 7;
- (i) amount, time and manner of payment of food security allowance to entitled individuals under section 8;
- (d) introducing schemes of cash transfer, food coupons or other schemes to the targeted beneficiaries in order to ensure their foodgrains entitlements in such areas and manner under clause (b) of sub-section (2) of section 12;
- (e) the norms and manner of providing assistance to the State Governments in meeting expenditure under clause (d) of sub-section (4) of section 22;
- (f) manner in which funds shall be provided by the Central Government to the State Governments in case of short supply of foodgrains, under section 23;
- (g) any other matter which is to be, or may be, prescribed or in respect of which provision is to be made by the Central Government by rules.
- (3) Every rule made by the Government under this Ordinance shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

Power of State Government to make rules.

- **40.** (1) The State Government may, by notification, and subject to the condition of previous publication, and consistent with this Ordinance and the rules made by the Central Government, make rules to carry out the provisions of this Ordinance.
- (2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—
  - (a) guidelines for identification of priority households under sub-section (1) of section 10;
  - (b) internal grievance redressal mechanism under section 14;
  - (i) qualifications for appointment as District Grievance Redressal Officer and its powers under sub-section (2) of section 15;
  - (d) method and terms and conditions of appointment of the District Grievance Redressal Officer under sub-section (3) of section 15;
  - (e) manner and time limit for hearing complaints by the District Grievance Redressal Officer and the filing of appeals under sub-sections (5) and (7) of section 15;
  - (f) method of appointment and the terms and conditions of appointment of Chairperson, other Members and Member-Secretary of the State Commission, procedure for meetings of the Commission and its powers, under sub-section (5) of section 16;
  - (g) method of appointment of staff of the State Commission, their salaries, allowances and conditions of service under sub-section (8) of section 16;

- (h) manner in which the Targeted Public Distribution System related records shall be placed in the public domain and kept open for inspection to public under section 27:
- (i) manner in which the social audit on the functioning of fair price shops, Targeted Public Distribution System and other welfare schemes shall be conducted under section 28;
- (*f*) composition of Vigilance Committees under sub-section (1) of section 29;
- (k) schemes or programmes of the Central Government or the State Governments for utilisation of institutional mechanism under section 43;
- (/) any other matter which is to be, or may be, prescribed or in respect of which provision is to be made by the State Government by rules.
- (3) Every rule, notification and guidelines made or issued by the State Government under this Ordinance shall, as soon as may be after it is made or issued, be laid before each House of the State Legislature where there are two Houses, and where there is one House of the State Legislature, before that House.
- 41. The schemes, guidelines, orders and food standard, grievance redressal mechanism, vigilance committees, existing on the date of commencement of this Ordinance, shall continue to be in force and operate till such schemes, guidelines, orders and food standard, grievance redressal mechanism, vigilance committees are specified or notified under this Ordinance or the rules made thereunder:

Provided that anything done or any action taken under the said schemes, guidelines, orders and food standard, grievance redressal Transitory provisions for schemes, guidelines, etc. mechanism, or by vigilance committees shall be deemed to have been done or taken under the corresponding provisions of this Ordinance and shall continue to be in force accordingly unless and until superseded by anything done or by any action taken under this Ordinance.

Power to remove difficulties.

**42.** (1) If any difficulty arises in giving effect to the provisions of this Ordinance, the Central Government may, by order, published in the Official Gazette, make such provisions, not inconsistent with the provisions of this Ordinance, as appear to it to be necessary or expedient for removing the difficulty:

Provided that no order shall be made under this section after the expiry of two years from the date of commencement of this Ordinance.

- (2) Every order made under this section shall be laid, as soon as may be after it is made, before each House of Parliament.
- **43.** The services of authorities to be appointed or constituted under sections 15 and 16 may be utilised in the implementation of other schemes or programmes of the Central Government or the State Governments, as may be prescribed by the State Government.
- 44. The Central Government, or as the case may be, the State Government, shall be liable for a claim by any person entitled under this Ordinance, except in the case of war, flood, drought, fire, cyclone or earthquake affecting the regular supply of foodgrains or meals to such person under this

Ordinance:

Provided that the Central Government may, in consultation with the Planning Commission, declare whether or not any such situation affecting the regular supply of foodgrains or meals to such

institutional mechanism for other purposes.

Utilisation of

Force Majeure.

person has arisen or exists.

## SCHEDULE I

[See sections 3(1), 22(1), (3) and 24(2), (3)]

# SUBSIDISED PRICES UNDER TARGETED PUBLIC DISTRIBUTION SYSTEM

Eligible households shall be entitled to foodgrains under section 3 at the subsidised price not exceeding rupees 3 per kg. for rice, rupees 2 per kg. for wheat and rupee 1 per kg. for coarse grains for a period of three years from the date of commecement of this Ordinance; and thereafter, at such price, as may be fixed by the Central Government, from time to time, not exceeding,—

- (i) the minimum support price for wheat and coarse grains; and
- (ii) the derived minimum support price for rice, as the case may be.

## SCHEDULE II

[See sections 4(a), 5(1) and 6]

#### NUTRITIONAL STANDARDS

Nutritional standards: The nutritional standards for children in the age group of 6 months to 3 years, age group of 3 to 6 years and pregnant and lactating women required to be met by providing "Take Home Rations" or nutritious hot cooked meal or ready to eat meal in accordance with the Integrated Child Development Services Scheme and nutritional standards for children in lower and upper primary classes under the Mid Day Meal Scheme are as follows:

| Sl.No. | Category  | Type of meal <sup>2</sup>            | Calories<br>(Kcal) | Protein (g) |
|--------|---|--------------------------------------|--------------------|-------------|
| 1.     | Children (6 months to 3 years)                            | Take Home Ration                     | 500                | 12-15       |
| 2.     | Children (3 to 6 years)                                   | Morning Snack and<br>Hot Cooked Meal | 500                | 12-15       |
| 3.     | Children<br>(6 months to 6 years)<br>who are malnourished | Take Home Ration                     | 800                | 20-25       |
| 4.     | Lower primary classes                                     | Hot Cooked Meal                      | 450                | 12          |
| 5.     | Upper primary classes                                     | Hot Cooked Meal                      | 700                | 20          |
| 6.     | Pregnant women and Lactating mothers                      | Take Home Ration                     | 600                | 18-20       |

Note: 1 — Energy Dense Food fortified with micronutrients as per 50 per cent. of Recommended Dietary Allowance.

Note: 2 -The provisions of the Food Safety and Standards Act, 2006 (34 of 2006) and any other law for the time being in force shall apply to Meals referred to in this Schedule.

NB: Nutritional standards are notified to provide balance diet and nutritious foods in terms of the calorie counts, protein value and micronutrients specified.

# SCHEDULE III

[See section 31]

#### Provisions for Advancing Food Security

- (1) Revitalisation of Agriculture
  - (a) agrarian reforms through measures for securing interests of small and marginal farmers;
  - (b) increae in investments in agriculture, including research and development, extension services, micro and minor irrigation and power to increase productivity and production;
  - (c) ensuring livelihood security to farmers by way of remunerative prices, access to inputs, credit, irrigation, power, crop insurance, etc.;
  - (d) prohibiting unwarranted diversion of land and water from food production.
- (2) Procurement, Storage and Movement related interventions-
  - (a) incentivising decentralised procurement including procurement of coarse grains;
  - (b) geographical diversification of procurement operations;
  - (c) augmentation of adequate decentralised modern and scientific storage;
  - (d) giving top priority to movement of foodgrains and providing sufficient number of rakes for this purpose, including expanding the line capacity of railways to facilitate foodgrain movement from surplus to consuming regions.
- (3) Others: Access to-
  - (a) safe and adequate drinking water and sanitation;
  - (b) health care;

- (c) nutritional, health and education support to adolescent girls;
- (d) adequate pensions for senior citizens, persons with disability and single women.

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PRANAB MUKHERJEE President

> P.K. MALHOTRA Secy. of the Govt. of India

# THE NATIONAL FOOD SECURITY BILL, 2013

(As introduced in Lok Sabha on  $7^{\text{th}}$  August, 2013)

## Bill No. 109 of 2013

# THE NATIONAL FOOD SECURITY BILL, 2013

# ARRANGEMENT OF CLAUSES

#### CHAPTER I

#### **PRELIMINARY**

#### CLAUSES

- 1. Short title, extent and commencement.
- 2. Definitions.

#### CHAPTER II

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- 3. Right to receive foodgrains at subsidised prices by persons belonging to eligible households under Targeted Public Distribution System.
- 4. Nutritional support to pregnant women and lactating mothers.
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- 6. Prevention and management of child malnutrition.
- 7. Implementation of schemes for realisation of entitlements.

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#### FOOD SECURITY ALLOWANCE

8. Right to receive food security allowance in certain cases.

#### CHAPTER IV

#### IDENTIFICATION OF ELIGIBLE HOUSEHOLDS

- 9. Coverage of population under Targeted Public Distribution System.
- 10. State Government to prepare guidelines and to identify priority households.
- 11. Publication and display of list of eligible households.

#### CHAPTER V

#### REFORMS IN TARGETED PUBLIC DISTRIBUTION SYSTEM

#### CLAUSES

12. Reforms in Targeted Public Distribution System.

### CHAPTER VI

#### Women Empowerment

13. Women of eighteen years of age or above to be head of household for purpose of issue of ration cards.

## CHAPTER VII

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- 14. Internal grievance redressal mechanism.
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- 17. Salary and allowances of Chairperson, Member, Member-Secretary and other staff of State Commission.
- 18. Designation of any Commission or body to function as State Commission.
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- 22. Central Government to allocate required quantity of foodgrains from central pool to State Governments.
- 23. Provisions for funds by Central Government to State Government in certain cases.

#### CHAPTER IX

# OBLIGATIONS OF STATE GOVERNMENT FOR FOOD SECURITY

#### **CLAUSES**

24. mplementation and monitoring of schemes for ensuring food security.

#### CHAPTER X

## OBLIGATIONS OF LOCAL AUTHORITIES

- 25. Implementation of Targeted Public Distribution System by local authority in their areas.
- 26. Obligations of local authority.

#### CHAPTER XI

#### Transparency and Accountability

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- 28. Conduct of social audit.
- 29. Setting up of Vigilance Committees.

#### CHAPTER XII

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- 32. Other welfare schemes.
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- 35. Power to delegate by Central Government and State Government.
- 36. Act to have overriding effect.
- 37. Power to amend Schedules.
- 38. Power of Central Government to give directions.

## CLAUSES

- 39. Power of Central Government to make rules.
- 40. Power of State Government to make rules.
- 41. Transitory provisions for schemes, guidelines, etc.
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SCHEDULE I

SCHEDULE II

SCHEDULE III

## Bill No. 109 of 2013

# THE NATIONAL FOOD SECURITY BILL, 2013

Α

#### BILL

to provide for food and nutritional security in human life cycle approach, by ensuring access to adequate quantity of quality food at affordable prices to people to live a life with dignity and for matters connected therewith or incidental thereto.

BE it enacted by Parliament in the Sixty-fourth Year of the Republic of India as follows:-

#### CHAPTER I

#### **PRELIMINARY**

**1.** (1) This Act may be called the National Food Security Act, 2013.

Short title, extent and commencement

- (2) It extends to the whole of India.
- (3) Save as otherwise provided, it shall be deemed to have come into force on the 5th day of July, 2013.
- **2.** In this Act, unless the context otherwise Definequires,-
- (1) "anganwadi" means a child care and development centre set up under the Integrated Child Development Services Scheme of the Central Government to render services covered under section 4, clause (a) of sub-section (1) of section 5 and section 6;
  - (2) "central pool" means the stock of foodgrains which is,-

Definitions.

- (*i*) procured by the Central Government and the State Governments through minimum support price operations;
- (ii) maintained for allocations under the Targeted Public Distribution System, other welfare schemes, including calamity relief and such other schemes;
- (iii) kept as reserves for schemes referred to in sub-clause (ii);
- (3) "eligible households" means households covered under the priority households and the Antyodaya Anna Yojana referred to in sub-section (1) of section 3;
- (4) "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;

10 of 1955

- (5) "foodgrains" means rice, wheat or coarse grains or any combination thereof conforming to such quality norms as may be determined, by order, by the Central Government from time to time;
- (6) "food security" means the supply of the entitled quantity of foodgrains and meal specified under Chapter II;
- (7) "food security allowance" means the amount of money to be paid by the concerned State Government to the entitled persons under section 8;
- (8) "local authority" includes Panchayat, municipality, district board, cantonment board, town planning authority and in the States of Assam, Manipur, Meghalaya, Mizoram, Nagaland and Tripura where Panchayats do not exist, the village council or committee or any other body, by whatever name called, which is authorised under the Constitution or any law for the time

being in force for self-governance or any other authority or body vested with the control and management of civic services, within a specified local area;

- (9) "meal" means hot cooked meal or ready to eat meal or take home ration, as may be prescribed by the Central Government;
- (10) "minimum support price" means the assured price announced by the Central Government at which foodgrains are procured from farmers by the Central Government and the State Governments and their agencies, for the central pool;
- (11) "notification" means a notification issued under this Act and published in the Official Gazette;
- (12) "other welfare schemes" means such Government schemes, in addition to the Targeted Public Distribution System, under which foodgrains or meals are supplied as part of the schemes;
- (13) "person with disability" means a person defined as such in clause (t) of section 2 of the Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1995;

1 of 1996

- (14) "priority households" means households identified as such under section 10;
- (15) "prescribed" means prescribed by rules made under this Act;
- (16) "ration card" means a document issued under an order or authority of the State Government for the purchase of essential commodities from the fair price shops under the Targeted Public Distribution System;
- (17) "rural area" means any area in a State except those areas covered by any urban local body or a cantonment board established or constituted under any law for the time being in force;

- (18) "Schedule" means a Schedule appended to this Act;
- (19) "senior citizen" means a person defined as such under clause (h) of section 2 of the Maintenance and Welfare of Parents and Senior Citizens Act, 2007;

56 of 2007

- (20) "social audit" means the process in which people collectively monitor and evaluate the planning and implementation of a programme or scheme;
- (21) "State Commission" means the State Food Commission constituted under section 16;
- (22) "State Government", in relation to a Union territory, means the Administrator thereof appointed under article 239 of the Constitution;
- (23) "Targeted Public Distribution System" means the system for distribution of essential commodities to the ration card holders through fair price shops;
- (24) "Vigilance Committee" means a committee constituted under section 29 to supervise the implementation of all schemes under this Act;
- (25) the words and expressions not defined here but defined in the Essential Commodities Act, 1955, or any other relevant Act shall have the meaning respectively assigned to them in those Acts.

10 of 1955

# CHAPTER II Provisions for Food Security

**3.** (1) Every person belonging to priority households, identified under sub-section (1) of section 10, shall be entitled to receive five kilograms of foodgrains per person per month at subsidised prices specified in Schedule I from the State Government under the Targeted Public Distribution System:

Provided that the households covered under Antyodaya Anna Yojana shall, to such extent as

Right to receive foodgrains at subsidised prices by persons belonging to eligible households under Targeted Public Distribution System. may be specified by the Central Government for each State in the said scheme, be entitled to thirty-five kilograms of foodgrains per household per month at the prices specified in Schedule I.

Explanation.- For the purpose of this section, the "Antyodaya Anna Yojana" means, the scheme by the said name launched by the Central Government on the 25th day of December, 2000; and as modified from time to time.

- (2) The entitlements of the persons belonging to the eligible households referred to in sub-section (1) at subsidised prices shall extend up to seventy-five per cent. of the rural population and up to fifty per cent. of the urban population.
- (3) Subject to sub-section (1), the State Government may provide to the persons belonging to eligible households, wheat flour in lieu of the entitled quantity of foodgrains in accordance with such guidelines as may be specified by the Central Government.
- **4.** Subject to such schemes as may be framed by the Central Government, every pregnant woman and lactating mother shall be entitled to—
- (a) meal, free of charge, during pregnancy and six months after the child birth, through the local anganwadi, so as to meet the nutritional standards specified in Schedule II; and
- (b) maternity benefit of not less than rupees six thousand, in such instalments as may be prescribed by the Central Government:

Provided that all pregnant women and lactating mothers in regular employment with the Central Government or State Governments or Public Sector Undertakings or those who are in receipt of similar benefits under any law for the time being in force shall not be entitled to benefits specified in clause (b).

Nutritional support to pregnant women and lactating mothers.

Nutritional support to children.

- **5.** (1) Subject to the provisions contained in clause (b), every child up to the age of fourteen years shall have the following entitlements for his nutritional needs, namely:—
  - (a) in the case of children in the age group of six months to six years, age appropriate meal, free of charge, through the local *angamvadi* so as to meet the nutritional standards specified in Schedule II:

Provided that for children below the age of six months, exclusive breast feeding shall be promoted;

- (b) in the case of children, up to class VIII or within the age group of six to fourteen years, whichever is applicable, one mid-day meal, free of charge, everyday, except on school holidays, in all schools run by local bodies, Government and Government aided schools, so as to meet the nutritional standards specified in Schedule II.
- (2) Every school, referred to in clause (b) of sub-section (1), and *anganwadi* shall have facilities for cooking meals, drinking water and sanitation:

Provided that in urban areas facilities of centralised kitchens for cooking meals may be used, wherever required, as per the guidelines issued by the Central Government.

- **6.** The State Government shall, through the local *anganwadi*, identify and provide meals, free of charge, to children who suffer from malnutrition, so as to meet the nutritional standards specified in Schedule II.
- 7. The State Governments shall implement schemes covering entitlements under sections 4, 5 and section 6 in accordance with the guidelines, including cost sharing, between the Central Government and the State Governments in such manner as may be prescribed by the Central Government.

Prevention and management of child malnutrition.

Implementation of schemes for realisation of entitlements.

#### CHAPTER III

#### FOOD SECURITY ALLOWANCE

**8.** In case of non-supply of the entitled quantities of foodgrains or meals to entitled persons under Chapter II, such persons shall be entitled to receive such food security allowance from the concerned State Government to be paid to each person, within such time and manner as may be prescribed by the Central Government.

Right to receive food security allowance in certain cases.

#### CHAPTER IV

#### IDENTIFICATION OF ELIGIBLE HOUSEHOLDS

- 9. The percentage coverage under the Targeted Public Distribution System in rural and urban areas for each State shall, subject to subsection (2) of section 3, be determined by the Central Government and the total number of persons to be covered in such rural and urban areas of the State shall be calculated on the basis of the population estimates as per the census of which the relevant figures have been published.
- Coverage of population under Targeted Public Distribution System.
- **10.** (1) The State Government shall, within the number of persons determined under section 9 for the rural and urban areas, identify—
  - (a) the households to be covered under the Antyodaya Anna Yojana to the extent specified under sub-section (1) of section 3, in accordance with the guidelines applicable to the said scheme;
  - (b) the remaining households as priority households to be covered under the Targeted Public Distribution System, in accordance with such guidelines as the State Government may specify:

Provided that the State Government may, as soon as possible, but within such period not exceeding one hundred and eighty days, after the commencement of the Act, identify the eligible households in accordance with the guidelines framed under this sub-section:

State Government to prepare guidelines and to identify priority households. Provided further that the State Government shall continue to receive the allocation of foodgrains from the Central Government under the existing Targeted Public Distribution System, till the identification of such households is complete.

- (2) The State Government shall update the list of eligible households, within the number of persons determined under section 9 for the rural and urban areas, in accordance with the guidelines framed under sub-section (1).
- 11. The State Government shall place the list of the identified eligible households in the public domain and display it prominently.

# CHAPTER V

# REFORMS IN TARGETED PUBLIC DISTRIBUTION SYSTEM

- **12.** (1) The Central and State Governments shall endeavour to progressively undertake necessary reforms in the Targeted Public Distribution System in consonance with the role envisaged for them in this Act.
  - (2) The reforms shall, inter alia, include—
    - (a) doorstep delivery of foodgrains to the Targeted Public Distribution System outlets;
    - (b) application of information and communication technology tools including end-to-end computerisation in order to ensure transparent recording of transactions at all levels, and to prevent diversion:
    - (i) leveraging "aadhaar" for unique identification, with biometric information of entitled beneficiaries for proper targeting of benefits under this Act;
      - (d) full transparency of records;
    - (e) preference to public institutions or public bodies such as Panchayats,

Publication and display of list of eligible households.

Reforms in Targeted Public Distribution System. self-help groups, co-operatives, in licensing of fair price shops and management of fair price shops by women or their collectives;

- (f) diversification of commodities distributed under the Public Distribution System over a period of time;
- (g) support to local public distribution models and grains banks;
- (b) introducing schemes, such as, cash transfer, food coupons, or other schemes, to the targeted beneficiaries in lieu of their foodgrain entitlements specified in Chapter II, in such area and manner as may be prescribed by the Central Government.

# CHAPTER VI Women Empowerment

- 13. (1) The eldest woman who is not less than eighteen years of age, in every eligible household, shall be head of the household for the purpose of issue of ration cards.
- (2) Where a household at any time does not have a woman or a woman of eighteen years of age or above, but has a female member below the age of eighteen years, then, the eldest male member of the household shall be the head of the household for the purpose of issue of ration card and the female member, on attaining the age of eighteen years, shall become the head of the household for such ration cards in place of such male member.

Women of eighteen years of age or above to be head of household for purpose of issue of ration cards.

# CHAPTER VII Grievance Redressal Mechanism

14. Every State Government shall put in place an internal grievance redressal mechanism which may include call centres, help lines, designation of nodal officers, or such other mechanism as may be prescribed. Internal grievance redressal mechanism. District Grievance Redressal Officer.

- 15. (1) The State Government shall appoint or designate, for each district, an officer to be the District Grievance Redressal Officer for expeditious and effective redressal of grievances of the aggrieved persons in matters relating to distribution of entitled foodgrains or meals under Chapter II, and to enforce the entitlements under this Act.
- (2) The qualifications for appointment as District Grievance Redressal Officer and its powers shall be such as may be prescribed by the State Government.
- (3) The method and terms and conditions of appointment of the District Grievance Redressal Officer shall be such as may be prescribed by the State Government.
- (4) The State Government shall provide for the salary and allowances of the District Grievance Redressal Officer and other staff and such other expenditure as may be considered necessary for their proper functioning.
- (5) The officer referred to in sub-section (1) shall hear complaints regarding non distribution of entitled foodgrains or meals, and matters relating thereto, and take necessary action for their redressal in such manner and within such time as may be prescribed by the State Government.
- (6) Any complainant or the officer or authority against whom any order has been passed by officer referred to in sub-section (1), who is not satisfied with the redressal of grievance may file an appeal against such order before the State Commission.
- (7) Every appeal under sub-section (6) shall be filed in such manner and within such time as may be prescribed by the State Government.

**16.** (1) Every State Government may, by notification, constitute a State Food Commission

State Food Commission. for the purpose of monitoring and review of implementation of this Act.

- (2) The State Commission shall consist of—
  - (a) a Chairperson;
  - (b) five other Members; and
  - (*i*) a Member-Secretary, who shall be an officer of the State Government not below the rank of Joint Secretary to that Government:

Provided that there shall be at least two women, whether Chairperson, Member or Member-Secretary:

Provided further that there shall be one person belonging to the Scheduled Castes and one person belonging to the Scheduled Tribes, whether Chairperson, Member or Member-Secretary.

- (3) The Chairperson and other Members shall be appointed from amongst persons—
  - (a) who are or have been member of the All India Services or any other civil services of the Union or State or holding a civil post under the Union or State having knowledge and experience in matters relating to food security, policy making and administration in the field of agriculture, civil supplies, nutrition, health or any allied field; or
  - (b) of eminence in public life with wide knowledge and experience in agriculture, law, human rights, social service, management, nutrition, health, food policy or public administration; or
  - (c) who have a proven record of work relating to the improvement of the food and nutrition rights of the poor.
- (4) The Chairperson and every other Member shall hold office for a term not exceeding five years

from the date on which he enters upon his office and shall be eligible for reappointment:

Provided that no person shall hold office as the Chairperson or other Member after he has attained the age of sixty-five years.

- (5) The method of appointment and other terms and conditions subject to which the Chairperson, other Members and Member-Secretary of the State Commission may be appointed, and time, place and procedure of meetings of the State Commission (including the quorum at such meetings) and its powers, shall be such as may be prescribed by the State Government.
- (6) The State Commission shall undertake the following functions, namely:—
  - (a) monitor and evaluate the implementation of this Act, in relation to the State;
  - (b) either suo motu or on receipt of complaint inquire into violations of entitlements provided under Chapter II;
  - (*i*) give advice to the State Government on effective implementation of this Act;
  - (d) give advice to the State Government, their agencies, autonomous bodies as well as non-governmental organisations involved in delivery of relevant services, for the effective implementation of food and nutrition related schemes, to enable individuals to fully access their entitlements specified in this Act:
  - (e) hear appeals against orders of the District Grievance Redressal Officer;
  - (f) prepare annual reports which shall be laid before the State Legislature by the State Government.

- (7) The State Government shall make available to the State Commission, such administrative and technical staff, as it may consider necessary for proper functioning of the State Commission.
- (8) The method of appointment of the staff under sub-section (7), their salaries, allowances and conditions of service shall be such, as may be prescribed by the State Government.
- (9) The State Government may remove from office the Chairperson or any Member who-
  - (a) is, or at any time has been, adjudged as an insolvent; or
  - (b) has become physically or mentally incapable of acting as a member; or
  - (i) has been convicted of an offence which, in the opinion of the State Government, involves moral turpitude; or
  - (d) has acquired such financial or other interest as is likely to affect prejudicially his functions as a member; or
  - (e) has so abused his position as to render his continuation in office detrimental to the public interest.
- (10) No such Chairperson or Member shall be removed under clause (d) or clause (e) of subsection (9) unless he has been given a reasonable opportunity of being heard in the matter.
- 17. The State Government shall provide for salary and allowances of Chairperson, other Members, Member-Secretary, support staff, and other administrative expenses required for proper functioning of the State Commission.

18. The State Government may, if considers it necessary, by notification, designate any statutory commission or a body to exercise the powers and perform the functions of the State Commission referred to in section 16.

Salary and allowances of Chairperson, Member, Member-Secretary and other staff of State Commission.

Designation of any Commission or body to function as State Commission. Joint State Food Commission. 19. Notwithstanding anything contained in sub-section (1) of section 16, two or more States may have a joint State Food Commission for the purposes of this Act with the approval of the Central Government.

Powers relating to inquiries.

**20.** (1) The State Commission shall, while inquiring into any matter referred to in clauses (b) and (e) of sub-section (6) of section 16, have all the powers of a civil court while trying a suit under the Code of Civil Procedure, 1908, and, in particular, in respect of the following matters, namely:—

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- (a) summoning and enforcing the attendance of any person and examining him on oath;
- (b) discovery and production of any document;
  - (i) receiving evidence on affidavits;
- (d) requisitioning any public record or copy thereof from any court or office;and
- (e) issuing commissions for the examination of witnesses or documents.
- (2) The State Commission shall have the power to forward any case to a Magistrate having jurisdiction to try the same and the Magistrate to whom any such case is forwarded shall proceed to hear the complaint against the accused as if the case has been forwarded to him under section 346 of the Code of Criminal Procedure, 1973.

2 of 1974

- **21.** No act or proceeding of the State Commission shall be invalid merely by reason of—
  - (a) any vacancy in, or any defect in the constitution of, the State Commission; or
  - (b) any defect in the appointment of a person as the Chairperson or a Member of the State Commission; or

Vacancies, etc., not to invalidate proceedings of State Commission. (i) any irregularity in the procedure of the State Commission not affecting the merits of the case.

#### CHAPTER VIII

# Obligations of Central Government for Food Security

- **22.** (1) The Central Government shall, for ensuring the regular supply of foodgrains to persons belonging to eligible households, allocate from the central pool the required quantity of foodgrains to the State Governments under the Targeted Public Distribution System, as per the entitlements under section 3 and at prices specified in Schedule I.
- Central Government to allocate required quantity of foodgrains from central pool to State Governments.
- (2) The Central Government shall allocate foodgrains in accordance with the number of persons belonging to the eligible households identified in each State under section 10.
- (3) The Central Government shall provide foodgrains in respect of entitlements under sections 4, 5 and section 6, to the State Governments, at prices specified for the persons belonging to eligible households in Schedule I.
- (4) Without prejudice to sub-section (1), the Central Government shall,—
  - (a) procure foodgrains for the central pool through its own agencies and the State Governments and their agencies;
    - (b) allocate foodgrains to the States;
  - (i) provide for transportation of foodgrains, as per allocation, to the depots designated by the Central Government in each State;
  - (d) provide assistance to the State Government in meeting the expenditure incurred by it towards intra-State movement, handling of foodgrains and margins paid to fair price shop dealers, in

accordance with such norms and manner as may be prescribed by the Central Government; and

- (e) create and maintain required modern and scientific storage facilities at various levels.
- 23. In case of short supply of foodgrains from the central pool to a State, the Central Government shall provide funds to the extent of short supply to the State Government for meeting obligations under Chapter II in such manner as may be prescribed by the Central Government.

# CHAPTER IX

# OBLIGATIONS OF STATE GOVERNMENT FOR FOOD SECURITY

Implementation and monitoring of schemes for ensuring food security.

Provisions for funds by

Government

Government in certain cases.

Central

to State

- **24.** (1) The State Government shall be responsible for implementation and monitoring of the schemes of various Ministries and Departments of the Central Government in accordance with guidelines issued by the Central Government for each scheme, and their own schemes, for ensuring food security to the targeted beneficiaries in their State.
- (2) Under the Targeted Public Distribution System, it shall be the duty of the State Government to—
  - (a) take delivery of foodgrains from the designated depots of the Central Government in the State, at the prices specified in Schedule I, organise intra-State allocations for delivery of the allocated foodgrains through their authorised agencies at the door-step of each fair price shop; and
  - (b) ensure actual delivery or supply of the foodgrains to the entitled persons at the prices specified in Schedule I.
- (3) For foodgrain requirements in respect of entitlements under sections 4, 5 and section 6, it

shall be the responsibility of the State Government to take delivery of foodgrains from the designated depots of the Central Government in the State, at the prices specified in Schedule I for persons belonging to eligible households and ensure actual delivery of entitled benefits, as specified in the aforesaid sections.

- (4) In case of non-supply of the entitled quantities of foodgrains or meals to entitled persons under Chapter II, the State Government shall be responsible for payment of food security allowance specified in section 8.
- (5) For efficient operations of the Targeted Public Distribution System, every State Government shall,—
  - (a) create and maintain scientific storage facilities at the State, District and Block levels, being sufficient to accommodate foodgrains required under the Targeted Public Distribution System and other food based welfare schemes;
  - (b) suitably strengthen capacities of their Food and Civil Supplies Corporations and other designated agencies;
  - (c) establish institutionalised licensing arrangements for fair price shops in accordance with the relevant provisions of the Public Distribution System (Control) Order, 2001 made under the Essential Commodities Act, 1955, as amended from time to time.

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#### CHAPTER X

#### OBLIGATIONS OF LOCAL AUTHORITIES

- **25.** (1) The local authorities shall be responsible for the proper implementation of this Act in their respective areas.
- (2) Without prejudice to sub-section (1), the State Government may assign, by notification, additional responsibilities for implementation of

Implementation of Targeted Public Distribution System by local authority in their areas. the Targeted Public Distribution System to the local authority.

Obligations of local authority.

**26.** In implementing different schemes of the Ministries and Departments of the Central Government and the State Governments, prepared to implement provisions of this Act, the local authorities shall be responsible for discharging such duties and responsibilities as may be assigned to them, by notification, by the respective State Governments.

#### CHAPTER XI

#### Transparency and Accountability

Disclosure of records of Targeted Public Distribution System.

Conduct of social audit.

- 27. All Targeted Public Distribution System related records shall be placed in the public domain and kept open for inspection to the public, in such manner as may be prescribed by the State Government.
- **28.** (1) Every local authority, or any other authority or body, as may be authorised by the State Government, shall conduct or cause to be conducted, periodic social audits on the functioning of fair price shops, Targeted Public Distribution System and other welfare schemes, and cause to publicise its findings and take necessary action, in such manner as may be prescribed by the State Government.
- (2) The Central Government may, if it considers necessary, conduct or cause to be conducted social audit through independent agencies having experience in conduct of such audits.

Setting up of Vigilance Committees.

29. (1) For ensuring transparency and proper functioning of the Targeted Public Distribution System and accountability of the functionaries in such system, every State Government shall set up Vigilance Committees as specified in the Public Distribution System (Control) Order, 2001, made under the Essential Commodities Act, 1955, as amended from time to time, at the State, District, Block and fair price shop levels consisting of

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such persons, as may be prescribed by the State Government giving due representation to the local authorities, the Scheduled Castes, the Scheduled Tribes, women and destitute persons or persons with disability.

- (2) The Vigilance Committees shall perform the following functions, namely:—
  - (a) regularly supervise the implementation of all schemes under this Act;
  - (b) inform the District Grievance Redressal Officer, in writing, of any violation of the provisions of this Act; and
  - (i) inform the District Grievance Redressal Officer, in writing, of any malpractice or misappropriation of funds found by it.

#### CHAPTER XII

# Provisions for Advancing Food Security

**30.** The Central Government and the State Governments shall, while implementing the provisions of this Act and the schemes for meeting specified entitlements, give special focus to the needs of the vulnerable groups especially in remote areas and other areas which are difficult to access, hilly and tribal areas for ensuring their food security.

Food security for people living in remote, hilly and tribal areas.

**31.** The Central Government, the State Governments and local authorities shall, for the purpose of advancing food and nutritional security, strive to progressively realise the objectives specified in Schedule III.

Steps to further advance food and nutritional security.

# CHAPTER XIII MISCELLANEOUS

**32.** (1) The provisions of this Act shall not preclude the Central Government or the State

Other welfare schemes.

Government from continuing or formulating other food based welfare schemes.

(2) Notwithstanding anything contained in this Act, the State Government may, continue with or formulate food or nutrition based plans or schemes providing for benefits higher than the benefits provided under this Act, from its own resources.

Penalties.

**33.** Any public servant or authority found guilty, by the State Commission at the time of deciding any complaint or appeal, of failing to provide the relief recommended by the District Grievance Redressal Officer, without reasonable cause, or wilfully ignoring such recommendation, shall be liable to penalty not exceeding five thousand rupees:

Provided that the public servant or the public authority, as the case may be, shall be given a reasonable opportunity of being heard before any penalty is imposed.

Power to adjudicate.

- **34.** (1) For the purpose of adjudging penalty under section 33, the State Commission shall authorise any of its member to be an adjudicating officer for holding an inquiry in the prescribed manner after giving any person concerned a reasonable opportunity of being heard for the purpose of imposing any penalty.
- (2) While holding an inquiry the adjudicating officer shall have power to summon and enforce the attendance of any person acquainted with the facts and circumstances of the case to give evidence or to produce any document which in the opinion of the adjudicating officer, may be useful for or relevant to the subject matter of the inquiry and if, on such inquiry, he is satisfied that the person has failed to provide the relief recommended by the District Grievance Redressal Officer, without reasonable cause, or wilfully ignored such recommendation, he may impose such penalty as he thinks fit in accordance with the provisions of section 33.

**35.** (1) The Central Government may, by notification, direct that the powers exercisable by it (except the power to make rules), in such circumstances and subject to such conditions and limitations, be exercisable also by the State Government or an officer subordinate to the Central Government or the State Government as it may specify in the notification.

Power to delegate by Central Government and State Government.

(2) The State Government may, by notification, direct that the powers exercisable by it (except the power to make rules), in such circumstances and subject to such conditions and limitations, be exercisable also by an officer subordinate to it as it may specify in the notification.

Act to have overriding effect.

**36.** The provisions of this Act or the schemes made thereunder shall have effect notwithstanding anything inconsistent therewith contained in any other law for the time being in force or in any instrument having effect by virtue of such law.

Power to amend Schedules.

- **37.** (1) If the Central Government is satisfied that it is necessary or expedient so to do, it may, by notification, amend Schedule I or Schedule II or Schedule III and thereupon Schedule I or Schedule III or Schedule III, as the case may be, shall be deemed to have been amended accordingly.
- Power of Central Government to give directions.
- (2) A copy of every notification issued under sub-section (1), shall be laid before each House of Parliament as soon as may be after it is issued.38. The Central Government may, from time

to time, give such directions, as it may consider

necessary, to the State Governments for the

effective implementation of the provisions of this

Act and the State Governments shall comply with

such directions.

**39.** (1) The Central Government may, by notification, and subject to the condition of previous publication, make rules to carry out the provisions of this Act.

Power of Central Government to make rules.

- (2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—
  - (a) scheme including cost sharing for providing maternity benefit to pregnant women and lactating mothers under clause (b) of section 4;
  - (b) schemes covering entitlements under sections 4, 5 and section 6 including cost sharing under section 7;
  - (*c*) amount, time and manner of payment of food security allowance to entitled individuals under section 8;
  - (d) introducing schemes of cash transfer, food coupons or other schemes to the targeted beneficiaries in lieu of their foodgrains entitlements in such areas and manner under clause (h) of sub-section (2) of section 12;
  - (e) the norms and manner of providing assistance to the State Governments in meeting expenditure under clause (d) of sub-section (4) of section 22;
  - (f) manner in which funds shall be provided by the Central Government to the State Governments in case of short supply of foodgrains, under section 23;
  - (g) any other matter which is to be, or may be, prescribed or in respect of which provision is to be made by the Central Government by rules.
- (3) Every rule made by the Central Government under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and

if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

- **40.** (1) The State Government may, by notification, and subject to the condition of previous publication, and consistent with this Act and the rules made by the Central Government, make rules to carry out the provisions of this Act.
- Power of State Government to make rules.
- (2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—
  - (a) guidelines for identification of priority households under sub-section (1) of section 10;
  - (b) internal grievance redressal mechanism under section 14;
  - (*c*) qualifications for appointment as District Grievance Redressal Officer and its powers under sub-section (*2*) of section 15;
  - (d) method and terms and conditions of appointment of the District Grievance Redressal Officer under sub-section (3) of section 15;
  - (e) manner and time limit for hearing complaints by the District Grievance Redressal Officer and the filing of appeals under sub-sections (5) and (7) of section 15;
  - (f) method of appointment and the terms and conditions of appointment

- of Chairperson, other Members and Member-Secretary of the State Commission, procedure for meetings of the Commission and its powers, under sub-section (5) of section 16;
- (g) method of appointment of staff of the State Commission, their salaries, allowances and conditions of service under sub-section (8) of section 16;
- (b) manner in which the Targeted Public Distribution System related records shall be placed in the public domain and kept open for inspection to public under section 27;
- (i) manner in which the social audit on the functioning of fair price shops, Targeted Public Distribution System and other welfare schemes shall be conducted under section 28;
- (*f*) composition of Vigilance Committees under sub-section (*f*) of section 29;
- (k) schemes or programmes of the Central Government or the State Governments for utilisation of institutional mechanism under section 43:
- (/) any other matter which is to be, or may be, prescribed or in respect of which provision is to be made by the State Government by rules.
- (3) Every rule, notification and guidelines made or issued by the State Government under this Act shall, as soon as may be after it is made or issued, be laid before each House of the State Legislature where there are two Houses, and where there is one House of the State Legislature, before that House.

Transitory provisions for

41. The schemes, guidelines, orders and food standard, grievance redressal mechanism,

vigilance committees, existing on the date of commencement of this Act, shall continue to be in force and operate till such schemes, guidelines, orders and food standard, grievance redressal mechanism, vigilance committees are specified or notified under this Act or the rules made thereunder:

schemes, guidelines,

Provided that anything done or any action taken under the said schemes, guidelines, orders and food standard, grievance redressal mechanism, or by vigilance committees shall be deemed to have been done or taken under the corresponding provisions of this Act and shall continue to be in force accordingly unless and until superseded by anything done or by any action taken under this Act.

**42.** (1) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order, published in the Official Gazette, make such provisions, not inconsistent with the provisions of this Act, as appear to it to be necessary or expedient for removing the difficulty:

Power to remove difficulties.

Provided that no order shall be made under this section after the expiry of two years from the date of commencement of this Act.

- (2) Every order made under this section shall be laid, as soon as may be after it is made, before each House of Parliament.
- 43. The services of authorities to be appointed or constituted under sections 15 and 16 may be utilised in the implementation of other schemes or programmes of the Central Government or the State Governments, as may be prescribed by the State Government.

Utilisation of institutional mechanism for other purposes.

**44.** The Central Government, or as the case may be, the State Government, shall be liable for a claim by any person entitled under this Act, except in the case of war, flood, drought, fire, cyclone or earthquake affecting the regular supply

Force Majeure. of foodgrains or meals to such person under this Act:

Provided that the Central Government may, in consultation with the Planning Commission, declare whether or not any such situation affecting the regular supply of foodgrains or meals to such person has arisen or exists.

Repeal and savings.

**45.** (1) The National Food Security Ordinance, 2013 is hereby repealed.

Ord. 7 of 2013.

- (2) Notwithstanding such repeal,—
  - (a) anything done, any action taken or any identification of eligible households made; or (b) any right, entitlement, privilege, obligation or liability acquired, accrued or incurred; or
  - (i) any guidelines framed or directions issued; or
  - (d) any investigation, inquiry or any other legal proceeding initiated, conducted or continued in respect of such right, entitlement, privilege, obligation or liability as aforesaid; or
  - (e) any penalty imposed in respect of any offence, under the said Ordinance shall be deemed to have been done, taken, made, acquired, accrued, incurred, framed, issued, initiated, conducted, continued or imposed under the corresponding provisions of this Act.

#### SCHEDULE I

[See sections 3(1), 22(1), (3) and 24(2), (3)]

SUBSIDISED PRICES UNDER TARGETED PUBLIC DISTRIBUTION SYSTEM

Eligible households shall be entitled to foodgrains under section 3 at the subsidised price not exceeding rupees 3 per kg. for rice, rupees 2 per kg. for wheat and rupee 1 per kg. for coarse grains for a period of three years from the date of commecement of this Act; and thereafter, at such price, as may be fixed by the Central Government, from time to time, not exceeding,—

- (i) the minimum support price for wheat and coarse grains; and
- (ii) the derived minimum support price for rice, as the case may be.

#### SCHEDULE II

[See sections 4(a), 5(1) and 6]

#### NUTRITIONAL STANDARDS

Nutritional standards: The nutritional standards for children in the age group of 6 months to 3 years, age group of 3 to 6 years and pregnant and lactating women required to be met by providing "Take Home Rations" or nutritious hot cooked meal or ready to eat meal in accordance with the Integrated Child Development Services Scheme and nutritional standards for children in lower and upper primary classes under the Mid Day Meal Scheme are as follows:

| Sl. No. | Category  | Type of meal <sup>2</sup>            | Calories<br>(Kcal) | Protein (g) |
|---------|---|--------------------------------------|--------------------|-------------|
| 1.      | Children (6 months to 3 years)                      | Take Home Ration                     | 500                | 12-15       |
| 2.      | Children (3 to 6 years)                             | Morning Snack and<br>Hot Cooked Meal | 500                | 12-15       |
| 3.      | Children (6 months to 6 years) who are malnourished | Take Home Ration                     | 800                | 20-25       |
| 4.      | Lower primary classes                               | Hot Cooked Meal                      | 450                | 12          |
| 5.      | Upper primary classes                               | Hot Cooked Meal                      | 700                | 20          |
| 6.      | Pregnant women and Lactating mothers                | Take Home Ration                     | 600                | 18-20       |

Note: 1 — Energy Dense Food fortified with micronutrients as per 50 per cent. of Recommended Dietary Allowance.

Note: 2 -The provisions of the Food Safety and Standards Act, 2006 (34 of 2006) and any other law for the time being in force shall apply to Meals referred to in this Schedule.

NB: Nutritional standards are notified to provide balance diet and nutritious foods in terms of the calorie counts, protein value and micronutrients specified.

#### SCHEDULE III

[See section 31]

#### Provisions For Advancing Food Security

#### (1) Revitalisation of Agriculture —

- (a) agrarian reforms through measures for securing interests of small and marginal farmers;
- (b) increae in investments in agriculture, including research and development, extension services, micro and minor irrigation and power to increase productivity and production;
- (c) ensuring livelihood security to farmers by way of remunerative prices, access to inputs, credit, irrigation, power, crop insurance, etc.;
- (d) prohibiting unwarranted diversion of land and water from food production.

#### (2) Procurement, Storage and Movement related interventions—

- incentivising decentralised procurement including procurement of coarse grains;
- (b) geographical diversification of procurement operations;
- (c) augmentation of adequate decentralised modern and scientific storage;
- (d) giving top priority to movement of foodgrains and providing sufficient number of rakes for this purpose, including expanding the line capacity of railways to facilitate foodgrain movement from surplus to consuming regions.

### (3) Others: Access to-

- (a) safe and adequate drinking water and sanitation;
- (b) health care;
- (c) nutritional, health and education support to adolescent girls;
- (d) adequate pensions for senior citizens, persons with disability and single women.

## STATEMENT OF OBJECTS AND REASONS

- 1. Article 47 of the Constitution, *inter alia*, provides that the State shall regard the raising of the level of nutrition and the standard of living of its people and the improvement of public health as among its primary duties. The Universal Declaration of Human Rights and International Covenant on Economic, Social and Cultural Rights, to which India is a signatory, also cast responsibilities on all State parties to recognise the right of everyone to adequate food. Eradicating extreme poverty and hunger is one of the goals under the Millennium Development Goals of the United Nations.
- 2. In pursuance of the constitutional and the international conventions obligations, providing food security has been focus of the Government's planning and policy. Food security means availability of sufficient foodgrains to meet the domestic demand as well as access, at the individual level, to adequate quantities of food at affordable prices. Attainment of self-sufficiency in foodgrains production at the national level has been one of the major achievements of the country. In order to address the issue of food security at the household level, the Government is implementing the Targeted Public Distribution System under which subsidised foodgrains are provided to the Below Poverty Line, including Antyodaya Anna Yojana, and Above Poverty Line households. While the Below Poverty Line households under the Targeted Public Distribution System receive thirty-five kilograms foodgrains per family per month, the allocation to Above Poverty Line households depends upon availability of foodgrains in the Central pool. Allocations for other food based welfare schemes for women and children, natural disasters, etc., are also being made at subsidised rates.
- 3. Ensuring food security of the people, however, continues to be a challenge. The nutritional status of the population, and especially of women and children, also needs to be improved to enhance the quality of human resource of the country. The proposed legislation marks a paradigm shift in addressing the problem of food security—from the current welfare approach to a right based approach. Besides expanding coverage of the Targeted Public Distribution System, the proposed legislation would confer legal rights on eligible beneficiaries to receive entitled quantities of foodgrains at highly subsidised prices. It will also confer legal rights on women and children to receive meal free of charge.
- 4. In view of the foregoing, the National Food Security Bill, 2011 was introduced in the Lok Sabha on 22nd December, 2011. Subsequently, the said Bill was referred to the Department Related Parliamentary Standing Committee on Food, Consumer Affairs and Public Distribution for examination and

Report. The Standing Committee presented its Report to the Speaker, Lok Sabha on 17th January, 2013. The recommendations of the Standing Committee were examined on priority; and accordingly the Government gave notice in the Lok Sabha in the Budget Session for consideration and passing of the said Bill along with official amendments. However, Parliament was adjourned *sine die* on 8th May, 2013 and thereafter both the Houses were prorogued.

- 5. In view of the time that has already lapsed in passing of the National Food Security Bill, 2011 since its announcement by the then President of India in her address to the Joint Session of Parliament on 4th June, 2009, and further delay in getting it passed through Parliament, the Government was of the considered view that it will not be appropriate to further delay the reaching of the proposed benefits of the Bill to the people of the country.
- 6. As both the Houses of Parliament were not in Session and immediate action was required to be taken to ensure that the benefits of the proposed legislation reach the people at the earliest, the President promulgated the National Food Security Ordinance, 2013 on 5th July, 2013.
- 7. It is, now proposed to replace the National Food Security Ordinance, 2013 with the National Food Security Bill, 2013, to—
  - (a) provide for food and nutritional security, in human life cycle approach, by ensuring access to adequate quantity of quality food at affordable prices to people to live a life with dignity;
  - (b) entitle every person belonging to priority households, to receive every month from the State Government, under the Targeted Public Distribution System, five kilograms of foodgrains per person per month, at subsidised prices specified in Schedule I to the proposed legislation. The households covered under Antyodaya Anna Yojana shall be entitled to receive thirty-five kilograms of foodgrains per household per month at the prices specified in Schedule I. The said entitlements at subsidised prices shall extend up to seventy-five per cent of the rural population and up to fifty per cent of the urban population;
  - (c) entitle every pregnant woman and lactating mother to meal, free of charge, during pregnancy and six months after child birth, through the local anganwadi, so as to meet the nutritional standards specified in Schedule II; and to provide to such women maternity benefit of not less than rupees six thousand in such instalments as may be prescribed by the Central Government;

- (d) entitle every child up to the age of fourteen years—(i) age appropriate meal, free of charge, through the local anganwadi so as to meet the nutritional standards specified in Schedule II in the case of children in the age group of six months to six years; and (ii) one mid day meal, free of charge, everyday, except on school holidays, in all schools run by local bodies, Government and Government aided schools, to children up to class VIII or within the age group of six to fourteen years, whichever is applicable, so as to meet the nutritional standards specified in Schedule II;
- (e) require the State Government to identify and provide meals through the local anganwadi, free of charge, to children who suffer from malnutrition, so as to meet the nutritional standards specified in Schedule II; and implement schemes covering entitlements of women and children in accordance with the guidelines, including cost sharing, between the Central Government and the State Governments in such manner as may be prescribed by the Central Government;
- (f) entitle the eligible persons under Chapter II of the proposed legislation, to receive such food security allowance from the concerned State Government to be paid to each person, in case of non-supply of the entitled quantities of foodgrains or meals, within the time and manner prescribed by the Central Government;
- (g) provide subsidised foodgrains under the Targeted Public Distribution System to specified percentage of rural and urban population, at the all India level and empower the Central Government to determine the State-wise percentage coverage;
- (b) enable the State Government to prescribe guidelines for identification of priority households, for the purposes of their entitlement under the proposed legislation and identify such households and the households to be covered under the Antyodaya Anna Yojana, in accordance with guidelines applicable to the scheme;
- (i) progressively undertake necessary reforms by the Central and State Governments in the Targeted Public Distribution System in consonance with the role envisaged for them in the proposed legislation;
- (*j*) treat the eldest woman who is not less than eighteen years of age, in every eligible household, to be head of the household for the purpose of issue of ration cards;

- (k) impose obligation upon the State Governments to put in place an internal grievance redressal mechanism which may include call centres, help lines, designation of nodal officers, or such other mechanism as may be prescribed by the respective Governments; and for expeditious and effective redressal of grievances of the aggrieved persons in matters relating to distribution of entitled foodgrains or meals under Chapter II of the proposed legislation, a District Grievance Redressal Officer, with requisite staff, to be appointed by the State Government for each District, to enforce these entitlements and investigate and redress grievances;
- (*l*) make provision for State Food Commission to be constituted by every State Government for the purpose of monitoring and review of implementation of the proposed legislation;
- (m) impose obligation upon the Central Government to ensure regular supply of foodgrains for persons belonging to eligible households and allocate the required quantity of foodgrains to the State Governments under the Targeted Public Distribution System from the central pool as per the entitlements and at prices specified in Schedule I to the proposed legislation;
- (n) make provision for implementation and monitoring by the State Government of the schemes of various Ministries and Departments of the Central Government in accordance with guidelines issued by the Central Government for each scheme, and their own schemes, for ensuring food security to the targeted beneficiaries in their State; and make the local authorities responsible, for the proper implementation of the proposed legislation in their respective areas;
- (0) conduct or cause to be conducted by every local authority, or any other authority or body, as may be authorised by the State Government, periodic social audits on the functioning of fair price shops, Targeted Public Distribution System and other welfare schemes, and cause to publicise its findings and take necessary action, in such manner as may be prescribed by the State Government;
- (p) impose penalty upon any public servant or authority found guilty, by the State Commission at the time of deciding any complaint or appeal, of failing to provide the relief recommended

by the District Grievance Redressal Officer, without reasonable cause, or wilfully ignoring such recommendation, not exceeding five thousand rupees after giving an opportunity of being heard.

- 8. The notes on clauses explain in detail the various provisions contained in the replacement Bill.
- 9. The Bill seeks to achieve the above objectives.

New Delhi;

The 5th August, 2013

K.V. THOMAS

# PRESIDENT'S RECOMMENDATION UNDER ARTICLE 117 OF THE CONSTITUTION OF INDIA

[Copy of letter No. H-11018/1/2013-NFSA/3624, dated 5 August, 2013 from Prof. K.V. Thomas, Minister of State for Consumer Affairs, Food and Public Distribution to the Secretary-General, Lok Sabha.]

The President, having been informed of the subject matter of the proposed National Food Security Bill, 2013, recommends the introduction of the Bill in the House and its consideration under article 117(1) and (3) of the Constitution.

#### NOTES ON CLAUSES

- Clause 1. This clause of the Bill provides for the short title, extent and commencement of the proposed legislation. The proposed legislation shall be deemed to have come into force retrospectively, *i.e.*, on the 5th July, 2013, which is the date of promulgation of the National Food Security Ordinance, 2013.
- Clause 2. This clause provides for definitions of certain expressions used in the proposed legislation which, *inter alia*, include the expressions 'anganwadi', 'central pool', 'eligible households', 'fair price shop', 'foodgrains', 'food security', 'food security allowance', 'local authority', 'meal', 'minimum support price', 'notification' 'other welfare schemes', 'person with disability', 'priority households', 'prescribed', 'ration card', 'rural area', 'Schedule', 'senior citizen', 'social audit', 'State Commission', 'Targeted Public Distribution System', and 'vigilance committee', etc.
- Clause 3. This clause provides for right to receive foodgrains at subsidised prices by persons belonging to eligible households under the Targeted Public Distribution System. It provides that every person belonging to priority households shall be entitled to receive five kilograms of foodgrains per person per month from the State Government, under the Targeted Public Distribution System, at prices specified in Schedule I. It also provides that households covered under Antyodaya Anna Yojana shall be entitled to thirty-five kilograms of foodgrains per household per month at prices specified in Schedule I. It further provides that the entitlements of the eligible households shall extend up to seventy-five per cent. of the rural population and up to fifty per cent of the urban population. It also provides that the State Government may provide wheat flour in lieu of the entitled quantity of foodgrains, in accordance with the guidelines specified by the Central Government.
- Clause 4. This clause provides for nutritional support to pregnant women and lactating mothers. It provides that every pregnant woman and lactating mother shall be entitled to meal free of charge during pregnancy and six months after the child birth and maternity benefit of not less than rupees six thousand.
- Clause 5. This clause provides for nutritional support to children. It provides that children below fourteen years of age, shall be entitled, to (i) age appropriate meal free of charge for children in the age group of six months to six years (ii) for children up to class VIII or within the age group of six years to fourteen years, whichever is applicable, one mid-day meal, free of charge, everyday except school holidays in all schools run by local bodies, Government and Government-aided schools. Nutritional norms for meals to be provided have been specified in Schedule II.

- Clause 6. This clause provides for prevention and management of child malnutrition. It lays down that State Government shall identify children suffering from malnutrition and provide them meal, free of charge, to meet nutritional standards specified in Schedule II.
- Clause 7. This clause provides for implementation of schemes for realisation of entitlements. It provides that schemes for meeting entitlements of pregnant women and lactating mothers and children shall be implemented by the State Government in accordance with guidelines, including cost sharing, prescribed by the Central Government.
- Clause 8. This clause provides for right to receive food security allowance in certain cases. It provides that in case of non-supply of entitled foodgrains or meals, the entitled persons shall be entitled to receive food security allowance from the State Government, within such time and manner as may be prescribed by the Central Government.
- Clause 9. This clause provides for coverage of population under Targeted Public Distribution System. It provides that subject to sub-section (2) of section 3, the percentage coverage under the Targeted Public Distribution System in rural and urban areas for each State shall be determined by the Central Government, and the total number of persons to be covered shall be calculated on the basis of population estimates as per census of which the relevant figures have been published.
- Clause 10. This clause provides for guidelines to be prepared by State Governments for identification of priority households. It provides that within the number of eligible persons determined under section 9 for rural and urban areas, the State Government shall identify (i) households to be covered under the Antyodaya Anna Yojana in accordance with guidelines applicable to the said scheme and (ii) remaining households as priority households to be covered under the Targeted Public Distribution System in accordance with guidelines specified by the State Government. It further provides that the State Government shall identify the eligible households, as soon as possible but within a period not exceeding one hundred and eighty days, in accordance with guidelines framed for this purpose. It also provides that till the completion of identification of such households, the State Government shall continue to receive allocation of foodgrains under the existing Targeted Public Distribution System. It also provides that within the number of persons determined under section 9 for rural and urban areas, the list of eligible households shall be updated by the State Government in accordance with the guidelines framed for this purpose.
- Clause 11. This clause provides for publication and display of list of eligible households. It requires the State Governments to place the list of eligible households in public domain and display it prominently.

Clause 12. — This clause provides for reforms in the Targeted Public Distribution System. It provides that the Central Government and the State Government shall endeavour to progressively undertake necessary reforms in the Targeted Public Distribution System in consonance with the role envisaged for them in the proposed legislation.

Clause 13. — This clause provides for women of eighteen years of age or above to be head of household for the purpose of issue of ration cards. It provides that for the purpose of issue of ration card eldest woman in the households who is eighteen years of age or above shall be the head of the household. It further provides that where a household at any time does not have a woman or a woman of eighteen years of age or above, but has a female member below the age of eighteen years, then, the eldest male member of the household shall be the head of the household for the purpose of issue of ration card and the female member, on attaining the age of eighteen years, shall become the head of the household for such ration cards in place of such male member.

Clause 14. — This clause provides for internal grievances redressal mechanism. It provides that the State Governments shall put in place an internal grievance redressal mechanism which may include call centres, help lines, designation of nodal officers, or such other mechanism as may be prescribed.

Clause 15. — This clause provides for District Grievance Redressal Officer. It provides that for redressal of grievances in matters relating to delivery of entitlements under Chapter II, the State Government shall appoint or designate a District Grievance Redressal Officer for each District. It further provides that the qualification and powers and the method and terms and conditions of appointment of the District Grievance Redressal Officer shall be such as may be prescribed by the State Government.

It further provides that the District Grievance Redressal Officer shall hear complaints regarding non-distribution of entitled foodgrains or meals, and matters relating thereto, and take necessary action for their redressal in such manner and within such time as may be prescribed by the State Government and any complainant or the officer or authority against whom any order has been passed by such officer, who is not satisfied with the redressal of grievance may file an appeal against such order before the State Commission.

Clause 16. — This clause provides for State Food Commission. It provides that every State Government shall constitute a State Food Commission for the purpose of monitoring and review of implementation of the proposed legislation.

It further provides that the State Commission shall consist of a Chairperson; five other Members; and a Member Secretary out of whom there shall be at least two women, and there shall be one person belonging to the Scheduled Castes and one person belonging to the Scheduled Tribes, whether Chairperson, Member or Member Secretary.

It also provides that the Chairperson and other Members shall be appointed from amongst persons—(a) who are or have been member of the All India Services or any other civil services of the Union or State or holding a civil post under the Union or State having knowledge and experience in matters relating to food security, policy making and administration in the field of agriculture, civil supplies, nutrition, health or any allied field; or (b) of eminence in public life with wide knowledge and experience in agriculture, law, human rights, social service, management, nutrition, health, food policy or public administration; or (c) who have a proven record of work relating to the improvement of the food and nutrition rights of the poor.

It also provides that the term of the Chairperson and every other Member shall be not exceeding five years from the date on which he enters upon his office and shall be eligible for reappointment and no person shall hold office as the Chairperson or other Members after he has attained the age of sixty-five years.

It also provides that the method of appointment and other terms and conditions of the Chairperson, other Members and Member Secretary of the State Commission and time, place and procedure of meetings of the State Commission (including the quorum at such meetings) and its powers, shall be such as may be prescribed by the State Government.

It also specifies the functions to be undertaken by the State Commission which, *inter-alia*, include to—monitor and evaluate the implementation of the proposed legislation, inrelation to the State; either *suo motu* or on receipt of complaint inquire into violations of entitlements provided under Chapter II; give advice to the State Government, their agencies, autonomous bodies as well as non-governmental organisations involved in delivery of relevant services, for the effective implementation of food and nutrition related schemes, to enable individuals to fully access their entitlements specified in the proposed legislation; hear appeals against orders of the District Grievance Redressal Officer; and prepare annual reports which shall be laid before the State Legislature by the State Government.

It also provides that the State Government shall make available to the State Commission, such administrative and technical staff, as it may consider necessary for proper functioning of the State Commission. The method of appointment of staff, their salaries, allowances and conditions of service shall be such, as may be prescribed by the State Government.

It also makes provision for removal of the Chairperson and other Members of the State Commission and specifies the grounds, on which they may be removed.

Clause 17.—This clause provides for salary and allowances of Chairperson, Members, Member Secretary and other staff of the State Commission. It provides that the State Government shall provide for salary and allowances of the Chairperson, other Members, Member Secretary, support staff, and other administrative expenses required for proper functioning of the State Commission.

Clause 18. — This clause provides for designation of any Commission or body to function as the State Commission. It provides that the State Government may, if considers it necessary, designate any statutory commission or a body to exercise the powers and perform the functions of State Food Commission.

Clause 19. — This clause provides for joint State Food Commission. It provides that two or more States may have joint State Food Commission with the approval of the Central Government.

Clause 20. — This clause provides for powers of State Commission relating to enquiries. It provides that the State Commission shall, while inquiring into any matter, have all the powers of a civil court trying a suit under the Code of Civil Procedure, 1908, and, in particular, in respect of the matters of summoning and enforcing the attendance of any person and examining him on oath; discovery and production of any document; receiving evidence on affidavits; requisitioning any public record or copy thereof from any court or office; and issuing commissions for the examination of witnesses or documents.

It further provides that the State Commission shall have the power to forward any case to a Magistrate having jurisdiction to try the same and the Magistrate to whom any such case is forwarded shall proceed to hear the complaint against the accused as if the case has been forwarded to him under section 346 of the Code of Criminal Procedure, 1973.

Clause 21. — This clause provides that vacancies in or any defect in the constitution of the State Commission or any defect in the appointment of a person acting as a Member of the State Commission or any irregularity in the procedure of the State Commission shall not invalidate proceedings of the State Commission.

Clause 22. — This clause lays down the responsibilities of the Central Government to allocate required quantity of foodgrains from Central pool to State Governments. It provides that the Central Government shall, for

ensuring the regular supply of foodgrains to persons belonging to eligible households, allocate from the Central pool the required quantity of foodgrains to the State Governments under the Targeted Public Distribution System, as per the entitlements under clause 3 and at prices specified in Schedule I.

It further provides that the Central Government shall allocate foodgrains in accordance with the number of persons belonging to the eligible households identified in each State under clause 10. It further provides that the Central Government shall provide foodgrains in respect of entitlements under clauses 4, 5 and 6 to the State Government at prices specified for persons belonging to eligible households in Schedule I.

It also provides that, the Central Government shall, procure foodgrains for the Central pool through its own agencies and the State Governments and their agencies; allocate foodgrains to the States; provide for transportation of foodgrains, as per allocation, to the depots designated by the Central Government in each State; provide assistance to State Government in meeting the expenditure incurred by it towards intra-State movement, handling of foodgrains and margins paid to fair price shop dealers as per norms as may be prescribed and create and maintain required modern and scientific storage facilities at various levels.

Clause 23. — This clause makes provisions for funds by the Central Government to State Governments in certain cases. It provides that in case of short supply of foodgrains from the Central pool to a State, Central Government shall provide funds to the extent of short supply.

Clause 24. — This clause provides for implementation and monitoring of schemes for ensuring food security. It provides that the State Governments shall be responsible for implementation and monitoring of the schemes of various Ministries and Departments of the Central Government in accordance with the guidelines issued by the Central Government for each scheme, and their own schemes, for ensuring food security to the targeted beneficiaries in their State.

It further provides that under the Targeted Public Distribution System, it shall be the duty of the State Governments to—(a) take delivery of foodgrains from the designated depots of the Central Government in the State, at the prices specified in Schedule I, organise intra-State allocations for delivery of the allocated foodgrains through their authorised agencies at the door-step of each fair price shop; and (b) ensure actual delivery or supply of the foodgrains to the entitled persons at the prices specified in Schedule I.

It also provides that for foodgrain requirements in respect of entitlements under clauses 4, 5, and 6 it shall be the responsibility of the State Government

to take delivery of foodgrains from the designated depots of the Central Government in the State, at the prices specified in Schedule I for persons belonging to eligible households and ensure actual delivery of entitled benefits, as specified in the clauses aforesaid.

It also provides that in case of non-supply of the entitled quantities of foodgrains or meals to entitled persons under Chapter II, the State Government shall be responsible for payment of food security allowance specified in clause 8.

It also provides that for efficient operations of the Targeted Public Distribution System, every State Government shall,—(a) create and maintain scientific storage facilities at the State, District and Block levels, being sufficient to accommodate foodgrains required under the Targeted Public Distribution System and other food based welfare schemes; (b) suitably strengthen capacities of their Food and Civil Supplies Corporations and other designated agencies; and (c) establish institutionalised licensing arrangements for fair price shops in accordance with the relevant provisions of the Public Distribution System (Control) Order, 2001 as amended from time to time.

Clause 25. — This clause provides for implementation of Targeted Public Distribution System. It provides that the local authorities shall be responsible for proper implementation of the proposed legislation in their respective areas and the State Governments may assign additional responsibilities to local authorities in implementation of Targeted Public Distribution System.

Clause 26. — This clause provides for obligations of local authority. It provides that in implementing different schemes of the Ministries and Departments of the Central Government and the State Governments, the local authority shall be responsible for discharging such duties and responsibilities as may be assigned to them by notification, by the respective State Governments.

Clause 27. — This clause makes provision for disclosure of records of Targeted Public Distribution System. It provides that all Targeted Public Distribution System related records shall be placed in the public domain and kept open for inspection to the public.

Clause 28. — This clause provides for conduct of social audit. It provides that social audit on the functioning of fair price shops, Targeted Public Distribution System and other welfare schemes, shall be conducted by local authority, or any other authority or body, as may be authorised by the State Governments. It further provides that the Central Government may, if it considers necessary, also conduct or cause to be conducted social audit through independent agencies.

- Clause 29.—This clause provides for setting up of Vigilance Committees by the State Government at various levels for ensuring transparency and proper functioning of the Targeted Public Distribution System and accountability of functionaries in such system. It also specifies the functions of Vigilance Committees.
- Clause 30. This clause provides that the Central Government and the State Governments shall, while implementing the provisions of this Bill and the schemes for meeting specified entitlements, give special focus to the needs of the vulnerable groups especially in remote areas and other areas which are difficult to access, hilly and tribal areas for ensuring their food security.
- Clause 31. This clause provides for steps to further advance food and nutritional security. It provides that for the purpose of advancing food and nutritional security, the Central and State Governments shall strive to progressively realise objectives mentioned in Schedule III.
- Clause 32. This clause provides for other welfare schemes. It provides that provisions of the proposed legislation shall not preclude Central or State Governments from continuing or formulating other food based schemes. It also provides that State Government may continue with or formulate food or nutrition based schemes providing for higher benefits than the benefits provided under the proposed legislation, from its own resources.
- Clause 33. This clause relates to penalties. It provides that any public servant or authority found guilty, by the State Commission at the time of deciding any complaint or appeal, of failing to provide the relief recommended by the District Grievance Redressal Officer, without reasonable cause, or wilfully ignoring such recommendation, shall be liable to penalty not exceeding five thousand rupees.

It further provides that the public servant or the public authority, as the case may be, shall be given a reasonable opportunity of being heard before any penalty is imposed.

Clause 34. — This clause provides for power to adjudicate. It provides that for the purpose of adjudging under clause 33, the State Commission shall authorise any of its member to be an adjudicating officer for holding an inquiry in the prescribed manner after giving any person concerned a reasonable opportunity of being heard for the purpose of imposing any penalty.

It further provides that while holding an inquiry, the adjudicating officer shall have power to summon and enforce the attendance of any person acquainted with the facts and circumstances of the case to give evidence or to produce any document which in the opinion of the adjudicating officer, may be useful for or relevant to the subject matter of the inquiry and if, on such inquiry, he is satisfied that the person has failed to provide the relief

recommended by the District Grievance Redressal Officer, without reasonable cause, or wilfully ignoring such recommendation, he may impose such penalty as he thinks fit in accordance with the provisions of clause 33.

- Clause 35. This clause provides for power to delegate by the Central Government and State Governments. It empowers the Central Government to delegate its power (except the power to make rules) to the State Governments or an officer subordinate to the Central Government or State Governments. It also empowers the State Governments to delegate its power (except power to make rules) to an officer subordinate to it.
- Clause 36. This clause gives overriding effect to provisions of the proposed legislation or the schemes made thereunder notwithstanding anything inconsistent contained in any other law.
- Clause 37. This clause seeks to empower the Central Government to amend Schedule I or Schedule II or Schedule III if that Government is satisfied that it is necessary or expedient so to do.
- Clause 38. This clause seeks to empower the Central Government to give directions to State Governments for effective implementation of the provisions of the proposed legislation.
- Clause 39. This clause empowers the Central Government to make rules to carry out the provisions of the proposed legislation. It provides that the Central Government may, by notification, and subject to the condition of previous publication, make rules to carry out the provisions of the proposed legislation. It further specifies the matters in respect of which such rules may be made. It also provides that rules made by the Central Government shall be laid before each House of Parliament as soon as they are made.
- Clause 40. This clause empowers the State Governments to make rules to carry out the provisions of the proposed legislation. It provides that the State Government may, by notification, and subject to the condition of previous publication, and consistent with this proposed legislation and the rules made by the Central Government, make rules to carry out the provisions of the proposed legislation. It further specifies the matters in respect of which such rules may be made. It also provides that rules, notifications and guidelines issued by the State Government shall be laid before the Legislature of the State as soon as they are made.
- Clause 41. This clause provides for transitory provisions for schemes, guidelines, etc. It provides that the schemes, guidelines, orders and food standards existing on the date of commencement of the proposed legislation shall continue to be in force till these are specified under the proposed legislation or rules made thereunder.

Clause 42. — This clause provides for power to remove difficulties. It provides that if any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order, published in the Official Gazette, make such provisions, not inconsistent with the provisions of this proposed legislation, as appear to it to be necessary or expedient for removing the difficulty. It further provides that no order shall be made under this section after the expiry of two years from the date of commencement of this Act.

Clause 43.—This clause provides for utilisation of institutional mechanism for other purposes. It provides that the services of authorities to be appointed or constituted under clauses 15 and 16 may be utilised in the implementation of other schemes or programmes of the Central Government or the State Governments, as may be prescribed by the State Government.

Clause 44. — This clause provides for Force Majeure. It provides that the Central Government, or as the case may be, the State Governments, shall be liable for any claim by any person entitled under the proposed legislation, except in the case of war, flood, drought, fire, cyclone or earthquake affecting regular supply of foodgrains or meals. It also provides that the Central Government may, in consultation with Planning Commission, declare whether or not any such situation affecting regular supply of foodgrains or meals has arisen or exist.

*Clause* 45. — This clause seeks to provide for repeal of the National Food Security Ordinance, 2013 and saving of actions taken thereunder.

It further provides that notwithstanding such repeal, (a) anything done, action taken or identification of eligible households made; or (b) any right, entitlement, privilege, obligation or liability acquired, accrued or incurred; or (c) any guidelines framed or directions issued; or (d) any investigation, inquiry or legal proceeding initiated, conducted or continued in respect of such right, entitlement, privilege, obligation or liability acquired, accrued or incurred; or (e) any penalty imposed in respect of any offence, under the said Ordinance shall be deemed to have been done, taken, made, acquired, accrued, incurred, framed, issued, initiated, conducted, continued or imposed under the corresponding provisions of the proposed legislation.

Schedule I. - This Schedule specifies the subsidised prices at which foodgrains will be provided to eligible households under Targeted Public Distribution System.

Schedule II. - This Schedule specifies the nutritional standards for meals and take home ration to be provided under the proposed legislation to children and pregnant women and lactating mothers.

Schedule III. - This Schedule lists the objectives to be progressively realised by the Central Government, State Governments and local authorities for advancing food security.

#### FINANCIAL MEMORANDUM

Item (iii) of sub-clause 2 of clause 2 provides that, the "central pool" shall consist of foodgrains kept as reserves for the schemes to be implemented for providing food security. The estimated carrying cost of buffer stocks for 2013-14 is Rs. 612.27 per quintal. Total expenditure will depend upon the actual stocks carried by the Government, and will be borne by the Central Government as recurring expenditure. This requirement may not cause any additional financial obligation as buffer stocks are already being maintained by the Government of India for its on-going Targeted Public Distribution System.

- 2. Sub-clause (1) of clause 3 provides that every person belonging to priority households, shall be entitled to receive every month from the State Government, under the Targeted Public Distribution System, five kilograms of foodgrains per person per month, at subsidised prices specified in Schedule I. It further provides that the households covered under Antyodaya Anna Yojana shall be entitled to receive thirty-five kilograms of foodgrains per household per month at the prices specified in Schedule I. Sub-clause (2) thereof provides that the entitlements at subsidised prices shall extend upto seventy-five per cent. of the rural population and upto fifty per cent. of the urban population. The difference between the economic cost of the foodgrains and the prices specified in Schedule I, in respect of the proposed coverage and entitlement will be borne by the Central Government as food subsidy. At the above proposed coverage and entitlement, the economic cost for the year 2013-14 and the prices of foodgrains specified in Schedule I, the total annual expenditure on food subsidy under Targeted Public Distribution System is estimated at about Rupees 1,08,966 crore. The estimate of food subsidy is however dependent, among other things, upon economic cost, central issue price of foodgrains, number of beneficiaries covered and quantities of foodgrains allocated and lifted, and therefore subject to change with changes in any or all of the variables affecting food subsidy.
- 3. Sub-clause (a) of clause 4, clauses 5 and 6 provide for nutritional support to pregnant women and lactating mothers and children below the age of fourteen. These benefits are currently being delivered through the Integrated Child Development Services and Mid Day Meal schemes, and these will continue to be implemented as per prescribed norms, including norms for cost sharing between the Central and the State Governments.
- 4. Sub-clause (b) of clause 4 provides that every pregnant woman and lactating mother shall be entitled to maternity benefit of not less than rupees six thousand, in such instalments as may be prescribed by the Central Government. The actual annual expenditure will depend on the number of

identified entitled beneficiaries and those actually availing the benefit. The expenditure will be shared between the Central and the State Governments in accordance with a scheme to be prescribed by the Central Government.

- 5. Clause 8 provides that in case of non-supply of the entitled quantities of foodgrains or meal to entitled persons under Chapter II of the proposed legislation, such persons shall be entitled to receive food security allowance from the concerned State Government, which shall be responsible for making payment of such food security allowance within such time and manner as may be prescribed by the Central Government. The State Government shall bear all expenses on food security allowance, which will be of a recurring nature.
- 6. Clause 10 provides that identification of priority households shall be done by the State Governments in accordance with such guidelines as the State Government may specify. It further provides that Antyodaya Anna Yojana households shall be identified by the State Government, in accordance with guidelines applicable to the scheme. Cost of identification of households will be borne by the State Governments.
- 7. Clause 11 provides that the list of the identified eligible households shall be placed by the State Governments in the public domain and displayed prominently, for which expenditure will be borne by the State Government.
- 8. Sub-clause (1) of clause 12 provides that the Central and the State Governments shall endeavour to progressively undertake reforms in Targeted Public Distribution System.
- 9. Clause 14 provides that the State Governments shall put in place an internal grievance redressal mechanism which may include call centres, help lines, designation of nodal officers, or such other mechanism as may be prescribed. The cost of setting-up internal grievance redressal mechanism will be borne by the State Governments.
- 10. Clause 15 provides that for expeditious and effective redressal of grievances of the aggrieved persons in matters relating to distribution of entitled foodgrains or meals under Chapter II of the proposed legislation, a District Grievance Redressal Officer, with requisite staff, shall be appointed by the State Government for each District, to enforce these entitlements and investigate and redress grievances. The expenditure towards salary and allowances of District Grievance Redressal Officer and other staff, and such other expenditure as may be considered necessary for their proper functioning, which will be of recurring nature, will be borne by the State Governments.
- 11. Clause 16 provides that every State Government shall constitute a State Food Commission for the purpose of monitoring and review of implementation of the proposed legislation. Clause 17 provides that the State Government shall

provide for salary and allowances of Chairperson, other Members, Member Secretary, support staff, and other administrative expenses required for proper functioning of the State Commission. The expenditure on State Food Commission will differ from State to State and will be of recurring nature.

- 12. Sub-clause (3) of clause 22 provides that the Central Government shall provide foodgrains in respect of entitlements under clauses 4, 5 and 6, to the State Governments, at prices specified for eligible households in Schedule I. The difference between the economic cost of foodgrains and the prices specified in Scheduled I, in respect of above schemes will be borne by the Central Government as food subsidy and will be of recurring nature. The estimated expenditure is however dependent upon economic cost, central issue price of foodgrains, number of beneficiaries covered and quantities of foodgrains allocated and lifted, and therefore subject to change with changes in any or all of the variables.
- 13. Item (e) of sub-clause (4) of clause 22 provides that the Central Government shall create and maintain required modern and scientific storage facilities at various levels, the expenditure on which will be of a non-recurring nature and will be borne by the Central Government.
- 14. Clause 23 provides that in case of short supply of foodgrains from the central pool to a State, the Central Government shall provide funds to the extent of short supply to the State Government for meeting obligations under Chapter II in such manner as may be prescribed by the Central Government.
- 15. Sub-clause (2) of clause 24 provides that under the Targeted Public Distribution System, it shall be the duty of the State Government to take delivery of foodgrains from the designated depots of the Central Government in the State, at the prices specified in the Schedule I; organise intra-State allocations for delivery of the allocated foodgrains through their authorised agencies at the door-step of each fair price shop; and ensure actual delivery or supply of the foodgrains to the entitled persons at the prices specified in Schedule I. The cost of intra-State transport and handling of foodgrains, fair price shop dealers' margin etc., will be borne by the State Governments, for which assistance will be provided by the Central Government under item (d) of sub-clause (4) of clause 22.
- 16. Item (a) of sub-clause (5) of clause 24 provides that the State Government shall create and maintain scientific storage facilities at the State, District and Block levels, being sufficient to accommodate foodgrains required under the Targeted Public Distribution System and other food based welfare schemes. The expenditure on creation and maintenance of storage facilities will be of a non-recurring nature and will be borne by the State Governments.

- 17. Sub-clause (2) of clause 25 and clause 26 provide that the State Governments may, by notification, assign additional responsibilities to local authorities in implementing Targeted Public Distribution System or other schemes of Central or State Government prepared to implement provisions of the proposed legislation. The expenditure on strengthening of local authorities, required if any, will be borne by the State Governments.
- 18. Sub-clause (1) of clause 28 provides that every local authority, or any other authority or body, as may be authorised by the State Government, shall conduct or cause to be conducted, periodic social audits on the functioning of fair price shops, Targeted Public Distribution System and other welfare schemes, and cause to publicise its findings and take necessary action, in such manner as may be prescribed by the State Government. The expenditure on such social audits will be borne by the State Governments. Sub-clause (2) thereof provides that the Central Government may, if it considers necessary, conduct or cause to be conducted social audit through independent agencies having experience in conduct of such audits, expenditure for which will be borne by the Central Government.
- 19. Clause 29 provides for setting-up of Vigilance Committees at various levels by the State Government for ensuring transparency and proper function of the Targeted Public Distribution System. The expenditure on Vigilance Committees will be borne by the State Governments and will be of a recurring nature.
- 20. Clause 30 provides that the Central Government, the State Governments and local authorities shall, for the purpose of advancing food and nutritional security, strive to progressively realise the objectives specified in Schedule III. Necessary efforts for realising these objectives will be required to be taken by both the Central and the State Governments in their respective areas and they will also be expected to bear the corresponding expenditure.
- 21. Sub-clause (1) of clause 32 provides that the provisions of the proposed legislation shall not preclude the Central Government or the State Governments from continuing or formulating other food based welfare schemes. The expenditure for such schemes will be borne by respective Governments, in accordance with provisions contained in such schemes. Subclause (2) thereof provides that the State Government may, continue with or formulate food or nutrition based plans or schemes providing for benefits higher than the benefits provided under the proposed legislation, from its own resources. The expenditure on such plans or schemes will be borne by the State Governments.

- 22. The Central Government will bear the expenditure in relation to implementation of the proposed legislation in so far as the Union territories are concerned.
- 23. Apart from the estimates given above, the expenditure which will be involved in implementing the proposed legislation will also include expenditure to be met out of budgets of other Ministries or Departments in order to operationalise the provisions of the proposed legislation, besides strengthening of the organisational structure for proper implementation. It is not practicable to make an estimate of such recurring and non-recurring expenditure at this stage.

#### MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 39 of the Bill empowers the Central Government to make, by notification in the Official Gazette, and subject to the condition of previous publication, rules for carrying out the provisions of the proposed legislation. Sub-clause (2) specifies the matters in respect of which such rules may be made. These matters, inter alia, include: (a) scheme including cost sharing for providing maternity benefit to pregnant women and lactating mothers under sub clause (b) of clause 4; (b) schemes covering entitlements under clauses 4, 5 and 6 including cost sharing under clause 7; (c) the amount, time and manner of payment of food security allowance to entitled persons under clause 8; (d) introduction of schemes of cash transfer, food coupons, or other schemes to the targeted beneficiaries in lieu of their foodgrain entitlements in such areas and manner under clause (h) of sub-clause (2) of clause 12; (e) the norms and manner of providing assistance to the State Governments in meeting expenditure incurred by them towards intra-State movement, handling of foodgrains and margins paid to fair price shop dealers, under clause (d) of sub-clause (4) of clause 22; (f) the manner in which funds shall be provided by the Central Government to the State Governments in case of short supply of foodgrains, under clause 23; (g) any other matter which is to be, or may be, prescribed or in respect of which provision is to be made by the Central Government by rules.

- 2. The rules made by the Central Government are required to be laid, as soon as they are made, before each House of Parliament.
- 3. Clause 40 of the Bill empowers the State Government to make, by notification in the Official Gazette, and subject to the condition of previous publication and consistent with this Act and the rules made by the Central Government, rules for carrying out the provisions of the proposed legislation. Sub-clause (2) specifies the matters in respect of which such rules may be made. These matters, inter alia, include: (a) guidelines for identification of priority households under sub-clause (1) of clause 10; (b) internal grievance redressal mechanism under clause 14; (c) qualifications for appointment as District Grievance Redressal Officer and its powers under sub-clause (2) of clause 15; (d) method and terms and conditions of appointment of the District Grievance Redressal Officer under sub-clause (3) of clause 15; (e) manner and time limit for hearing complaints by the District Grievance Redressal Officer and the filing of appeals under sub-clauses (5) and (7) of clause 15; (f) method of appointment and the terms and conditions of appointment of Chairperson, other Members and Member- Secretary of the State Commission, procedure for meetings of the Commission and its powers,

under sub-clause (5) of clause 16; (g) method of appointment of staff of the State Commission, their salaries, allowances and conditions of service under sub-clause (8) of clause 16; (h) manner in which the Targeted Public Distribution System related records shall be placed in the public domain and kept open for inspection to public under clause 27; (i) manner in which the social audit on the functioning of fair price shops, Targeted Public Distribution System and other welfare schemes shall be conducted under clause 28; (j) composition of vigilance committees under sub-clause (1) of clause 29; (k) schemes or programmes of the Central Government or the State Governments for utilisation of institutional mechanism\under clause 43; (l) any other matter which is to be, or may be, prescribed or in respect of which provision is to be made by the State Government by rules.

- 4. The rules made by the State Government are required to be laid, as soon as may be after they are made, before the State Legislature.
- 5. The matters in respect of which rules may be made are generally matters of procedure and administrative details and it is not practicable to provide for them in the Bill itself. The delegation of legislative powers is, therefore, of a normal character.

| LOK SABHA |
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Α

#### BILL

to provide for food and nutritional security, in human life cycle approach, by ensuring access to adequate quantity of quality food at affordable prices, to people to live a life with dignity and for matters connected therewith or incidental thereto.

(Prof. K.V. Thomas, Minister of State for Consumer Affairs, Food and Public Distribution)

# Synopsis of the Debate ON THE NATIONAL FOOD SECURITY BILL, 2013

(Dates of discussion in Lok Sabha -  $13^{\text{th}}$  and  $26^{\text{th}}$  August, 2013)

#### SYNOPSIS OF DEBATE\*

# STATUTORY RESOLUTION RE: DISAPPROVAL OF NATIONAL FOOD SECURITY ORDINANCE, 2013 (No. 7 OF 2013)

AND

NATIONAL FOOD SECURITY BILL, 2013

#### 13 August, 2013

**SHRI PRABODH PANDA** moved that this House disapproves of the National Food Security Ordinance, 2013 (No. 7 of 2013) promulgated by the President on 5 July, 2013.

THE MINISTER OF STATE OF THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (PROF. K.V. THOMAS) moving the motion for consideration of the Bill said: With this Act, the Government will fulfill its promise to make food fundamental right. The Standing Committee reviewed the initial Food Security Bill. It recommended the Bill, with only one Member recording the dissent. Recommendations were then shared with States in a meeting on 13th February, 2013. Most of the recommendations of the Standing Committee have been accepted by the Government. There is unanimity on the Bill which can be seen from the Standing Committee's recommendations. The Government of India decided to promulgate an Ordinance on 15-07-2013. Now we are here to get the sanction of this House.

(Speech unfinished)
The discussion was not concluded.

# 26 August, 2013

THE MINISTER OF STATE OF THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (PROF. K.V. THOMAS) continuing said: The National Food Security Bill seeks to address the issue of food security. The categorization of the cover household in the priority and general in the original Bill, has been done away with as recommended by the standing committee. This would avoid problems associated with the categorization of beneficiaries as AAY, general

<sup>\*</sup>This Synopsis is not an authoritative record of the proceeding of the Lok Sabha. For original debate refer 164.100.47.132/Synop/15/XIV/Synopsis-13-08-2013.pdf and 164.100.47.132/Synop/15/XIV/2 Sup+Sup+Synopsis-26-08-2013.pdf

and students. However, existing households will be protected at 35 Kg. Per household per month as they constitute poorest of the poor. Subsidised prices; Rs. 3, Rs. 2 and Rs.1 per Kg. For rice, wheat and coarse grains for a period of three years from the date of the commencement of the Act, and fully reviewed later. State-wise coverage is to be determined by the Central Government. Coverage under TPDS for each State has been received from the Planning Commission and also shared with the State Governments. Number of persons to be covered will be on the basis of the census of 2011 population. State Government are required to identify households.

Pregnant women and lactating mothers will be entitled to meals and maternity benefits of not less than Rs. 6000. The recommendation of the Standing Committee to restrict it to two children only has not been accepted by the Government. Children in the age of 6 months to 14 years will be entitled to meals under ICDS and Mid-day Meal Schemes. The eldest women of the household of age 18 years or above will be the head of the household for the purpose of issuing ration cards. It means the mother becomes the head of the family. The Central Government will provide assistance to States in meeting the expenditure incurred by them for transportation of foodgrains within the States. This provisions has been included keeping in view the demand from the States and to reduce financial burden on them. This Bill encourages more accountability and more transparency in the entire PDS system. One of the loopholes of the present TPDS is that there is a leakage to the tune of 20 per cent to 35 per cent which we have to plug. PDS related records to be placed in public domain. There will be social audit. There will be vigilance committees. The total foodgrain requirement for implementation of National Food Security is estimated to be around 62 million tonnes. Under the existing TPDS, the allocation of 504.7 lakh tones of foodgrains has been made during 2012-13. The estimated food subsidy for the implementation of the National Food Security Bill, 2013-14 is Rs. 1,24,827 crore. Out of the 35 States, 17 States gets more than what they are getting now and 18 States are getting less than that. The Government has taken the major decision that whatever may have been the off-take of these 18 States during the last three years under the normal TPDS system that will be completely protected.

**SHRI PRABODH PANDA** continuing said: On the 13th of August, I moved a Statutory Resolution for disapproval of the Food Security Ordinance. That does not mean that I am opposing the Food Security Bill *per se.* The Food Security Bill was introduced in this House in 2011. Then, It was referred to the Standing Committee on Food and Public Distribution. The Bill was taken up for discussion in the second half of the Budget Session. There was an understanding with all the responsible leaders of all the political parties that since the Government should sit together with political parties to take

a view on that. The amendments being brought in by the Government to this Bill should be sent to the Standing Committee but this Ordinance was promulgated just 20 days before the commencement of this Session. This Bill is inadequate and it has some serious flaws. This Bill is proposing to give security of adequate food. Basic services like food, education, health, work, social security must be universally available. That is why we are demanding for the universal public distribution system. This is one of the major flaws in that Ordinance. As per the Indian Council of Medical Research (ICMR) recommendation, a minimum requirement of foodgrains is 14 kg. Per month per adult and for minor – 18 kg. per month. But the Government is providing in the Ordinance – 5 kg. per person per month. Food includes the nutritious food. The Government is not providing minimum support price to the farmers. The Government is not complying to the recommendation of the Dr. Swaminathan Commission. In the Bill itself, the Government is going to fix minimum support price for three years. That means, for three years, the Government would not increase the minimum support price? This is not rendering justice to the farmers. The criterion for identifying the BPL people is not fair. No food security has been ensured at the time of war, at the time of national disasters and at the time of natural calamities. Then what is the meaning of food security? The Government should sit with all the political parties and discuss the amendments given by them. One-sided approach should not be adopted. This Bill should cover all the people of our country. The Government should think over this Bill and remove all the lacunae and all the major flaws in this Bill to make it complete and comprehensive to guarantee real food security to the majority people of our country and make our country hunger-free.

**DR. MURLI MANOHAR JOSHI:** In Her Address in June, 2009 the hon. President had said that Her Government would bring a Food Security Bill in the House. This Government has taken four and a half years in bringing this Bill. I thought that the Government would have taken every aspect into consideration for proiding food security to the people of the nation while bringing this Bill but this has not happened. There is a mention of adequate food in this Bill but what does this term really imply. How much food would be adequate food? As per the suggestion of ICMR an adult person should consume 14 kg. of foodgrains per month according to international standards. This Bill provides for only 5 kg. foodgrains to a person per month. There is no provision of pulses, ghee, salt etc. along with foodgrains to be provided under this Bill. The element of nutrition has completely been ignored. As per the Report of 2009 of the Ministry of Rural Development, the intake of foodgrains of the poorest of the poor in rural India was 9.88 kg. Now, the Government has reduced the calorie intake from 2100 to 1500. This Government claims

that with the passage of this Bill the poor would get rid of starvation. The Government says that 75 per cent rural people and 50 per cent urban people would be covered under this Bill but what about the remaining 50 per cent urban people? The objective of this Bill should have been universal i.e. food security for all as has been mentioned in the Address of hon. President in 2009. The Government of Chhattisgarh is giving food security to 90 per cent population. Pandit Jawaharlal Nehru once said "Everything else can wait but not agriculture" but it seems that the Government did not pay any attention to that. This Bill provides for giving hot cooked meal to the poor but there is no mention as to how this meal would be delivered from door to door? What mechanism would be put in place for this purpose? The Government is promising utopia. This Government has not yet even ascertained the correct number of BPL families in the country. Now this Government has left this task to the Tendulkar Committee. Dharavi in Mumbai is the biggest slum of the world where one million people are residing but there are only 141 BPL card holders. If this is the number of poor residing there then all are rich in India. This is how the Government counts the BPL families. India ranks 66th among 88 developing nations in the Global Hunger Index list. We are only one notch above Zimbabwe. Even Bhutan and Nepal are placed above us. Similarly, we rank 132<sup>nd</sup> in the United Nations Human Development Index. This is the condition of our country but the Government says that the number of the poor is decreasing whereas the reality is the other way round. When it comes to per capita foodgrains, we stand where we were in 1947. We should be grateful to our farmers that they have been able to feed our ever burgeoning population.

You are creating scarcity under some design. You are formulating such policies that a large segment of the population of this country remains poor and hungry. By bringing this Bill, you want to woo the people and create an atmosphere that this law is being brought for the hungry, poor people whereas the fact is that this is your duty. You have stated in the Bill that you have sympathy for the farmers. But, two thousand five hundred farmers are giving up agriculture everyday in the country. Marginal farmers are being ruined. The number of suicides by such farmers is increasing. I want to ask whether you are providing remunerative prices and MSP for their produce. The contribution of agriculture to GDP is on the decline in the country. Today, agriculture makes 15 per cent contribution to our GDP. Considering this fact, agriculture should have 90 per cent impact on our economy. It has been stated in this regard that storage facility will be provided. But it is not clear why the warehouses are not being constructed and why wastage of food is going on. It has been stated that priority would be given to transportation of foodgrains and to providing sufficient number of rakes. But, I want to ask

in how many years these rakes are going to be provided and which company is providing these rakes. So far as healthcare is concerned, we are aware of the condition of healthcare in our country. In World Hunger Index, the number of persons suffering from starvation in the country is reported to be 20 crore. Provision of 166 gram foodgrains per person per day cannot satiate the hunger of any person in this country. Once there is a food security in the country, its borders, its economy and its currency will also be secured. If you cannot provide food security to hundred per cent population, this Bill will remain on paper only. I want to know from where will you arrange funds for this and make a budgetary provision therefor? Why is the Government shying away from implementing Akshaypatra Yojana for children? Under this scheme, 10 lakh children are being provided food today. There is a need to pay attention to the shortcomings in the Bill. The Government should first modify the Bill in its present form and then bring it before the House. There should be no problem in this because you have already adopted the ordinance route. The Government has already taken the mileage of its propaganda.

**SHRIMATI SONIA GANDHI:** Today, we are taking a historic step. In 2009, the Congress party had promised to the country in its election manifesto that it would bring food security law and provide foodgrains to all the people of the country, particularly the weaker sections of the society. I am extremely happy that today we are fulfilling our commitment. During the last few years, many sections of our society have reaped benefits of prosperity but the issue before us relates to those sections which have been deprived of the benefits of this prosperity. Today, we are sending a strong message to the country that India is going to fulfill its responsibility for providing food security to all of its people. The country is providing legal right to food security to all those people who need it. Apprehensions are being made whether we have resources for that. We have to mobilize resources at all cost for that. Questions have been raised whether this Bill is in the interest of the farmers. I would like to emphasize that both agriculture and farmers have been integral part of our policy. Their needs have been given top of priority and will always remain so in future as well. So far as PDS and fair price shops are concerned, there is a need to overhaul PDS. There is also need to ensure that benefits of this system reach actual beneficiary and in right quantity. There is also need to address the problems of leakage prevailing in the system. That is the reason for making provisions regarding important reforms in PDS system in this Bill. Right to food security is a very strong medium to empower needy, enhance accountability of the administration, reducing corruption and making the whole system effective. The Bill will provide participation to women self help groups and Gram Panchayat in running PDS. The interest of Antyodaya families has been fully protected in this Bill and welfare programmes like ICDS,

Mid-Day-Meal Scheme have been included in this Bill. However, there are various types of shortcomings in these schemes. If there is no commitment and honesty in implementing this scheme, it will be injustice to the people. These shortcomings have to be removed. Under the leadership of the Prime Minister our UPA Government brought in the Right to Information law which ushered in an unprecedented transparency in public life. The Right to Work granted through Mahatma Gandhi NREGA has provided employment to one in four rural households. The path-breaking Forest Rights Act has benefited lakhs of tribal and other families. The Right to Education has led to sharp increase in enrollment in schools. The Food Security Bill is the fifth in series what might be called wise-based approach. This approach is bringing about an empowerment revolution in our country. Our goal for the foreseeable future must be to wipe out hunger and mal-nutrition from our country. This legislation is only a beginning. So, we must rise to the occasion and set aside our differences and affirm our commitment to the welfare and wellbeing of our people.

SHRI MULAYAM SINGH YADAV: All the Chief Ministers of the states of the country should have been called and consulted before bringing the Food Security Bill. Once this Bill is enacted, there is going to be a huge burden on the states. I want to know on what basis short listing of the poor has been done. You have calculated the number of the poor on the basis of the year 1997 whereas now it is the year 2013. No information has been given about the increase or decrease registered in the number of poor during the last 16 years. Today, many states are reeling under poor economic condition. The states have to bear the whole burden of this exercise. Nowhere is it mentioned in the Bill as to what assistance are you going to provide to the states. In this Bill there is neither any guarantee of land nor of procurement of foodgrains. We want that you should give a guarantee that the produce of the farmers will be procured otherwise farmers will be ruined. This is an anti-farmer Bill. Nowhere has it been stated in the Bill that all the states will be provided equal facilities. All this is but an election stunt. That is why the Government brought MNREGA last time and now this Food Security Bill. Had the Government intended to take measures for the poor, they would have brought this six months before when the people were starving. The number of the poor should be spelt clearly. The number of the poor who will be given food free of cost has not been specified. The Government should inform as to what criteria has been adopted for defining the poor. The number of BPL cardholders in the country has not been ascertained correctly. This should have been done before hand. But, paradoxically, without ascertaining the number of the poor the Government is going to start providing free and cheaper foodgrains. Besides, the powers of the states should not be impinged

upon. Nowhere has it been stated in this Bill as to how much financial burden is going to be borne by the states and how the states are going to make this good or how the Central Government is going to compensate it. Regarding foodgrains storage, my suggestion is that the Central Government should bear all the expenditure right from storage to distribution of foodgrains. If you want to do something for poor then it should have been done six months before when people were dying of hunger and the number of such deaths were taking place every day. Every time you go in election with a issue. It has nothing for poor. The actual number of people suffering from hunger as the number of people to be covered under the Bill is not mentioned anywhere. Whether the Government will tell the name of the report which enumerated the poor along with the criteria thereof. You have to ensure that there should be no interference with the right of the states. The Bill does not mention the economic burden to be worn by the States. Whether the states have to wear such economic burden by themselves or the Central Government will compensate them? The expenditures incurred on foodgrains handling from storage to distribution should be worn by the Central Government. It is imperative to call upon a meeting of States' Chief Ministers for seeking their opinions. Their suggestions will certainly help you.

SHRI DARA SINGH CHAUHAN: The country has witnessed many governments since Independence but no Government has been able to fulfill the basic needs i.e. food, clothes and housing of poor. Why we are not able to define the poor? If we had taken the measures to bridge the gap between the rich and the poor then I think there would have been no need for this Bill. I think, the social reasons are the main cause of poverty. We discuss economic corruptions in this House but the issue of social corruptions has never been discussed in this House. The Bill has the provision for providing 166 gram foodgrains per person per day. What benefit a person will get by such a low quantity of foodgrains? I am apprehensive whether the poor will be able to get two squares meal? Strong measures should be taken to stop leakage in PDS so that the benefits of the schemes may reach to the poor. The Bill has no mention of funds to be required for constructing additional godowns. It should be left on the states to determine the numbers of poor in their respective states. There should be at least 100% coverage of SC/ST people under the Scheme.

SHRI SHARAD YADAV: It is a very bold step. We have implemented many schemes for poor, but the structure of the country never let the benefits of the pro-poor schemes to trickle down to poor. There are many issues like construction of additional godowns and opening more PDS shops. You have to spend Rs. 600 crores only in Bihar and additional Rs. 400 crores for door to door delivery. The scheme will only be successful when the economic burden

of the state to be worn by the Centre. If you accept the amendments given by me then the scheme is likely to be successful. The hunger and respect are equally important. The poverty is linked to social hierarchy. For the successful implementation of the Bill, there is a need for 650 million tonnes foodgrains storage. But, all the godowns of the country have the total storage capacity of 400 million tonnes. It means we do not have storage capacity for 250 million tonnes foodgrains. For creating additional storage capacity, we need Rs.1500 crore. The right to food security is not a universal right. If the right is not made universal then we will not be able to achieve our objective. The present economic condition of the country does not permit to make this right an universal right but we can pledge to make it an universal right. The provisions made for the farmers in the Bill are very ridiculous. If the minimum prices are not going to be increase for the next three years then whether the inflation will also not rise in these years. Why the farmers are being locked up? Even after 65 years of Independence, we could not determine actual number of the poor. This task should be left either with states or MPs. They will provide you the actual number of poor because they know the realities. I would certainly like to say that this effort should not fail like the previous efforts. Therefore, there is a need to take concrete steps in this regard.

SHRI P. VISWANATHAN: The National Food Security Bill is one of the important bills which will benefit millions of people of below poverty line. This Bill is perhaps the only legislation of its kind in the world. The Bill pertaining to distribution of foods should also consider increased food production, clean water and sanitation and for this the Government should give top priority to land use policy and water policy. To achieve this objective, the Government should seriously consider for imposing complete ban on acquiring fertile agricultural land for industrialization, infrastructure projects, mining and other allied activities. The Government should initiate steps to encourage farm sector by allowing more subsidies and incentives and must commit a minimum of 20% of the national GDP to the agricultural sector until every Indian citizen is able to get food three times a day. The proposed Food Security Bill will cover the entire family including the children who were already covered under MDMS scheme. As a result more than 70% of the population will get total food coverage. But the Central Government should ensure complete foodgrain allocation to States and advise the State Governments to strengthen their public distribution system to achieve this golden objective of zero hunger policy.

**SHRI RUDRAMADHAB RAY:** The National Food Security Bill is touted as a scheme that could bring about a substantial improvement in the lives of millions of most vulnerable in the country. There is provision in the Bill to provide 5 Kg of rice, wheat and cereals to individuals. The

present provision will be quite insufficient for small families and further in most part of the country the principal food is rice and hence the rice taking families will find difficulties with this provision and as such they will suffer from insufficient meal in a day. Every family should be entitled to receive thirty five Kilograms of foodgrains per month and 500 grams of edible oil per person per month at subsidized rate as per prescribed in schedule. As per the National Food Security Bill, 2013, 75% of rural population and 50% of the urban population are targeted to be covered in this scheme. Since the successful implementation of the scheme lies on State Governments, the view of the State Governments regarding their capability etc. should be consulted by the Central Government. The bill although is intended to give the people their right to food but in the long run the Government should remain careful as it can distort agricultural pattern, small farmers that produced grain for self consumption may stop cultivating cereals and shift to other crop, India would become massively dependant on imports, one third populations outside the net may have to pay steep prices and overall inflation will rise.

\*SHRI A. GANESHAMURTHI: Even after spending several crores of rupees in various schemes, we could not guarantee food to our people. Now we say that we will provide food security to our people. The proposed legislation says that the number of beneficiaries of Food Security Act in all the states will be decided by the Union Government on the basis of National Population Register. It is an interference of Union Government on the rights of the State Governments. The Union Government has not even completed the Socio Economic Caste Census. It has also not released the guidelines relating to poverty line. In this scenario, how the State Government will be able to identify the beneficiaries of this Scheme within a period of six months? To ensure food security to all, the Public Distribution System, that is in existence in the States of Tamil Nadu and Kerala, should have been uniformly implemented throughout the nation by the Union Government. In Tamil Nadu, all the beneficiaries of Public Distribution System are provided 20 kilograms of rice free of cost every month. Already in some States, food grains are distributed at Rs. 2/- per kilogram. In this Bill, the cost of food grains is fixed as Rs. 3/- per kilogram. In Tamil Nadu, through this Bill, 50% ration card holders in urban areas and 25% ration card holders in rural areas will be deprived of their existing right to avail benefits of Public Distribution System. If they happen to lose their existing rights, how this Bill can become Food Security Act. This is not a legislation that is aimed for the welfare of the people. As per the Agricultural Pricing Commission, out of procurement of foodgrains from all the States 98% is procured by the Government. If the

<sup>\*</sup>Original in Tamil

remaining 2% of food grains is also procured by the Government, there will nothing left for the open market. Because of increased procurement of food grains by the Government, there is manifold increase of food grains in the open market. The number of people who are not guaranteed food security is also huge. These disparities are due to the shortcomings in the governmental planning. The audit report of the Food Corporation of India should also be taken into consideration. Encourage the farmers to produce more by giving due price to their agricultural produce. The Government should avoid in bringing schemes which are only meant for garnering votes.

SHRI JOSE K. MANI: I would like to lend my unconditional support for the Bill, meant to transform the lives of the poor and marginalized. The poorest of the poor will continue to receive 35 kg. of foodgrains per household per month. The State Governments also stand to gain much as their current burden on buying TPDS foodgrains will reduce significantly. I commend the UPA overnment for its bold step in pushing through this Bill. There has emerged in the long process some grey areas that have a bearing on the successful implementation of this scheme. No doubt the UPA Government will address these issues sooner.

SHRI J.M. AARON RASHID: I whole heartedly support this historic bill. Dream of wiping out the tears of millions of poor people in the country is being fulfilled now. Now, rice will be made available at Rs. 3/- per kg. wheat at Rs. 2 per Kg. and cereals will be made available at Rs. 1/- per kg. As envisioned by our leader this Bill seeks to erase the word 'starvation'. I would like to impress upon the Union Government that State Governments should not be allowed to hijack the central schemes any more. The central funds are either misused or under utilised. In certain schemes the stipulated and earmarked money is not paid to the beneficiaries. The worst part of the mismanagement by several States is seen in the implementation of MNREGA. When Rs. 155/is to be paid as a daily wage under this minimum 150- days guaranteed job scheme, many States are paying less to the poor. Some are paid only Rs. 40/or 50/- or 60/-. Direct cash transfer of money to the bank accounts of the beneficiaries has been introduced. I welcome this meaningful measure under the guidance of Sonia Ji. I would like to reiterate that the Centre must take care to see that the beneficiaries are informed properly by the implementing authorities about various schemes. In this year alone Rs. 10,000 crore and more will be spent on this food security measure. Annually about 610 lakh tonnes of food grains will be distributed to the needy poor.

**SHRI SHIVARAMA GOUDA:** I would like to support the food security bill. However, I would like express my concern on the implementation of the scheme. The State-run Food Corporation of India are not functioning

effectively and there is a lot of corruption and irregularities going on in these FCIS. If these distributing channels are not streamlined and computerized the very purpose of the food security bill would be defeated as food grains procured by the Government are siphoned off by middle men before reaching their intended beneficiaries. And much of the subsidized food ends up being sold illegally in markets rather than in fair price shops. The Government of India shall take immediate steps to complete modernization of Public Distribution System in time bound manner and computerization of supply chain for tracking of food grains up to Fair Price Shop Level. The provision in the bill says that free meal would be given to pregnant women during pregnancy and six months thereafter. And maternity benefit of not less than Rs, 6,000/- also provided to them. The Government should ensure banking facility in all parts of the country before implementing the scheme direct cash transfer in lieu of food subsidy.

**SHRI SUKHDEV SINGH:** Supporting the Food Security Bill, I would like to submit that for its proper implementation, district level committees may be organized and their members be nominated from the locality on the merit of their social work, honesty, education and devotion towards assigned duties. Agriculture must be on the top of our developmental agenda. If we fail in ensuring a vibrant agriculture in our country, all other developments, be they in industry, science and technology, IT etc. will not help us becoming the world power, that we want to become.

SHRI R. DHRUVANARAYANA: The two main challenges, which country is facing today in social sector are HUNGER and MALNUTRITION. This fact shows the requirement and importance of a large scheme which is capable of reaching every citizens of this country to provide adequate nutritious food in a subsidized rate. The proposed Food Security Bill 2013 undoubtedly is going to become a remarkable mile stone in mitigating HUNGER and MALUNTRITION from the country. This bill just not only provides the food for poor, women and children but it also helps the farmers to get the guaranteed support price for their crops from the Government. It also helps in mitigating the spoil of foodgrains at storages. It also provides enough opportunity to improve and enhance basic infrastructure facilities, like more cold storage facilities, transportation facilities and establishing more dedicated APM's.

**SHRIMATI RAMA DEVI:** The Bharitya Janta Party is in favour of Food Security Bill provided some amendments are made to it. The Government is providing food guarantee to 81 crore people of the country through Food Security Act, 2011. Due to this, the manpower of this country will have no interest in work and would rather prefer queuing up for food

instead of working hard. There are several laws to provide treatment, education, clothes, facility of roads, electricity and basic amenities to poor people of the country. Whether these laws are being followed? Many schemes are under implementation but the entire House knows it very well how so effectively these schemes are being run. The implementation of this Act would create shortage of labourers in the farming sector and wages would increase resultantly and it would increase agriculture cost and lead to inflation. I have my doubts that this scheme would benefit poor people. An amount of around two lac forty thousand crore rupees are required to implement this Act. As per proposal, for the year 2013-14 total estimated annual foodgrains requirement has been fixed at 612.3 lac tonne while its cost has been evaluated at around 1,24,724 crore rupees. An eligible person may appeal to court on denial of these rights. There is a provision of payment of food security allowance in the case of failure on the part of the Government in providing foodgrains under Food Security Act. This bill will promote women empowerment as woman would be preferred as head of the family. There would be an internal grievances redressal system and there will grievances redressal officer and State Food Security Commission in each district. The Commission has been conferred powers to examine any part of the Act. There will be transparency and accountability in the distribution of foodgrains and it would be reviewed from time to time by the vigilance committees. Food Security works should be done separately for the people living in remote and hilly areas as per this Bill. The Union Government is empowered to amend Acts while the State Government is empowered to implement rules for it. There is also a provision in this Act for natural disaster.

**SHRI P.R. NATARAJAN:** My views about the Food Security Bill are that the ceiling of three years must be removed and fixed at 10 years.

SHRI HARIBHAU JAWALE: In order to meet enhanced requirement of foodgrain under food security bill increasing the production and procurement of foodgrains is essential and for this purpose we must adopt modern techniques in agriculture by implementing different special schemes for modernization of agriculture. For that funding of agriculture ministry must be sufficient. For procurement of foodgrains we have to implement better schemes with better infrastructure facilities to agriculture. All the procuring states need to strengthen their procurement machinery by creating suitable institutional mechanism and by adopting proper procurement system. For the transportation of foodgrains proper agenda and plan must be finalized. There is a need to establish the dedicated transport facility for foodgrains by Railway. One of the challenges being faced by Targeted Public Distribution System is the viability of Fair Price Shops (FPS), which must be addressed. Total transparency in PDS must be drawn to proper implementation of Food

Security Bill. Unless feed supplements of cattle become better available and cheaper, there is another danger to the system that people who rear livestock will feed cattle with subsidized rice and wheat. All the practices must be considered seriously by Government and make sufficient funding related to sustainability of availability of foodgrains, in fields of production, transport, storing and transparency in distribution.

SHRI KALYAN BANERJEE: Section 38 of the Act has given unbridled discretionary power to the Central Government for interfering with the State's function. That will hit the federal structure of the country. So, kindly delete Section 38 from the Bill. The number of persons to be covered under the Act should be based on the 2013 Survey and not on the 2011 Survey, when you are introducing the Bill in 2013. For implementation of this Act, the entire financial liability should be taken by the Central Government itself. The Central financial assistance will further be required to set up additional support system and grievance redress system as envisaged under the Act. There is no indication of such assistance under this Act. The intention under this Act is for issue of new ration cards to the entitled beneficiaries. The Government of India should and have to bear the whole cost of survey and issuance of new ration cards under this Act itself. I would like to request the hon. Minister to consider the constitution of the Civil Supplies Corporation in every State for implementing these types of Schemes and computations of the whole PDS. A definite procedure for storage should be laid down on this in the Act. The Act should mention regarding the viability of the fair price shops, accountability and monitoring, and allocation of the foodgrains as per the units. There must be special measures for the poorest districts in the country. For them, the benefits should be given more than this.

SHRI RAJU SHETTI: The objective of Food Security Bill is to provide foodgrains at cheaper rates- rice at Rs. 3/- per kg. wheat at Rs. 2 per kg. and coarse grain as Rs. 1 per kg. The Government is providing Rs. 1,24,724 crore for the scheme. It will become impossible to find labourers in rural areas after the implementation of Food Security Act, though the Government has promised for nutritional support to the women and children under the scheme. If the State Government will be not able to provide food at the cheaper price, then the beneficiaries will get cash subsidy. It means that the Government may gradually phase out MSP and Agriculture Price Commission. The provision regarding the selection of beneficiaries also seems to be controversial. The scheme is likely to increase the fiscal deficit. 55 per cent of the subsidised foodgrains could not reach to the poor. These points are needed to be considered. Actually this Bill is incomplete. This is against the farmers of our country and even not in the favour of poor people. Therefore the Bill should be withdrawn.

**SHRI S. SEMMALAI:** AIADMK is not against the Food Security. But we are opposing the Bill in its present form. Though the Bill claims to provide food security to all, unfortunately, there are several flaws in this Bill which created serious apprehensions to the States. Food entitlement is restricted to 70% of the rural population and 50% of urban population. Why such limitation? Those who are living in the urban areas, are as much poor as their counter parts in rural areas. In rural area also the food entitlement is restricted to 75%. What is the fate of others those who are entitled. We urge upon the Government that the present entitlement of food grains to the State of Tamil Nadu not reduced on the basis of allocation of food grain calculated according to the entitlement to individual families under this Bill. In times of short supply of food grains from Central pool to States, Central Government to give cash to State to the extent of short supply. The Centre should take efforts to augment food grains production, by encouraging our farmers or by way of importing food grains when there is need, to meet the requirement of the States for further implementation of the proposed Bill. The Bill is aimed with an eye on the forthcoming election and not really intended to provide food security to the needy. In Section 10 it is stated that State Government may identify the eligible households within 180 days. The Central Government has taken up the socio-economic caste Census in 2011, which has not yet been completed. So, the time limit provided for finishing identification of eligible household within 6 months is very less. Appropriate amendments should be included in the Bill as suggested by my Leader. Then only States interest will be protected and allotment of food grains remains unaltered. If the act is implemented it would impose burden of additional sum of Rs. 7000 crore on the State. So, Centre has to compensate the amount. I reiterate that this Bill, in its present form is against the people of Tamil Nadu.

SHRI GANESHRAO NAGORAO DUDHGAONKAR: I have some reservations and doubts in supporting this Bill. Making subsidized food available to 66 per cent will lead to corruption in distribution. Availability of food will ensure that present generation of children will not suffer from malnutrition. Steps are required to first modernize warehousing infrastructure of the FCI. Farming has to be technologically upgraded. The additional burden of the Food Security Legislation is estimated to be Rs. 27,663 crore per year. It will increase the Government's total food subsidy bill to Rs. 95,000 crore per year. India's current account deficit is estimated to be almost 4 per cent of the GDP. The Government should have invested in R&D in agriculture and infrastructure thus raising farm output, reducing waste, and enabling the poor farmers to feed themselves. Where will the Government store the additional grains it procures? The Government is bringing forward this Bill with 2014 elections in mind.

**SHRI T.R. BAALU:** After the introduction of the Food Security Bill my leader was having some apprehensions and reservations. So, I met the hon. Food Minister, we have discussed and he clarified it. He has also promised that he would bring suitable official amendments shortly. On the issue of quantity of food grains to Tamil Nadu, it has been categorically assured that Tamil Nadu will get 36.78 million tonnes of food grains; and the price per kilo for APL, Rs. 8.36 per kilo has also been assured. It is requested that stats should not be made to import as has been envisaged under Section 23 of the Bill because it will defeat the aims and objects of the Bill. Firstly, the possibility of import is very low and it will not be required to import foodgrains given our present production. Secondly, PDS is in domain of the states and the Centre should not try to step into it. The Bill aims to serve a very noble objective of feeding people and even the past great works of Tamil poets highlighted the importance of ensuring food for every person. Our country has been languishing very low in ranking in Human Development Index and achievement of millennium development goals. The growth rate of our GDP touched 9 per cent per annum after the policy of globalization adopted by our country after 1990 and various welfare schemes were launched by UPA in 2004. Food Security Bill is a new step forward in that direction.

**SHRIMATI POONAM VELJIBHAI JAT:** Central Government is thinking of providing food security to the millions of poor people of India. Truly poor is not properly identified. A proper survey of true of poor people should be done. The Government should think of a proper distribution through PDS. A proper format of the bill with proper suggested amendments should be carried out.

SHRI SATPAL MAHARAJ: Food Security Bill has been brought in this august House to ensure food for the poor people. This Bill is also most needed to ensure good health to all citizens and to end malnutrition in the country. Food Security Bill is also necessary to save children. One lac 24 thousand and 724 crore rupees will be spent to implement this legislation. 81 crore people, which constitute 67.1 per cent of population, will be benefited with this law. The states will have to provide food security allowance if they fail in providing foodgrains to people. In some states like Uttarakhand 35 kilograms foodgrains are being provided. If Food Security Bill is passed it will be reduced to 25 kilograms. It needs consideration and amendment in this regard. If the number of people in family is more than 7 in respect of Uttarakhand, what will be the source of additional food grains to compensate this when food grains will be distributed on the basis of number of people in the family. Whether the transportation cost for food grains to remote areas will be borne by the Central Government? A special action plan, with

special package, may be prepared to benefit remote villages in hilly states. Government should complete the Aadhar Card Scheme speedily. I support Food Security Bill.

**SK. SAIDUL HAQUE:** The entire Bill is a platform to push through nonliberal reforms. In a blatant violation of federal reforms, the Central Government reserves the right to notify the date of PDS reforms, which will be mandatory for all the State Governments. Central Government wants to push through narrow agendas of those agri-business and corporates. Some of the issues in the Bill are (i) Narrow targeting, categorizations and definitions; (ii) conditional entitlements; (iii) extreme centralization and violation of States' rights. In a country like ours Universal Access to cheap food grains and a basket of essential commodities are required. The present Bill does the opposite. The Bill must include the universal right to at least 35 kg. of food grains at two rupees a kilo.

\*SHRI A. SAMPATH: In Tamil it has been said that on empty stomach, the mind does not work. The Planning Commission was set up for categorizing people. They would categorise people as above poverty line and those below it. There were so many committees that were constituted for this purpose. These reports contradict each other. Food is the solution for hunger. When you say 'Food' it doesn't mean edible items alone. This Bill, which the Hon. Minister, introduced talks about food grains. It means only wheat when it talks about food grains. In India, the availability of pulses is diminishing. Why are we turning a blind eye to this fact? Pulses provided the protein requirements for the people of this country at affordable prices. When we talk of food security, why are we silent about the edible oils used in cooking? Without ensuring cooking oil and pulses, how can you ensure a healthy life for the masses? Now elections are around the corner. 16th Lok Sabha Elections may come in some three or four months time. That is why the Bill is being introduced now. Some provisions here need to be added to the Bill. Here Government is avoiding some of our citizens. Why are you demarcating people as those below poverty line and those above poverty line? Kindly extend the right to all, make it a universal right. We need a universal public distribution system. Secondly, I am going to move some amendments. Sugar, edible oil, cooking oil, pulses should also be included under the purview of the Bill. Thirdly, at least 7 kg. foodgrains and 35 kg. foodgrains per household should be made mandatory. There are over a hundred Centrally sponsored schemes. Some have suffered a break down mid way. So many states are distancing themselves from various schemes. In FCI, same job does not guarantee same wages. It is not equal pay for equal work. The Report of the Comptroller and Auditor

<sup>\*</sup>Original in Malyalam.

General regarding the FCI godowns have come. Food grains are rotting in FCI godowns. Required labourers are not being employed. There is no scarcity of officials. FCI's own godowns and warehouses, are being mortgaged to private companies. How can you strengthen the public distribution system without first strengthening the FCI godowns? My only request is that these amendments should be accepted and all the short comings of this Bill may be done away with.

SHRI HARSH VARDHAN: This ambitious scheme of providing benefit to the 75% rural population and 50% urban population of the country will also benefit the BPL population as well as the middle class of the country. A lot of apprehensions have been raised about the Food Security Bill which are mostly baseless. Even after the passage of this Bill, there will be scope for amendments in this bill in future. The construction of basic infrastructure like godowns etc. for Food Security will certainly result in boosting the economy. The apprehension that this Act will have adverse effects on the farmers, is also baseless. In my own state, approximately 96 lakh metric tonne of supply will be received after the passage of this Bill and the common man of the State will be benefitted.

DR. KIRIT PREMJIBHAI SOLANKI: I have risen in support of this Bill but I am sad to say that even after 66 years of Independence, we have failed to provide food to the poor people of this country. In our country, the children and women remain malnourished. The main reason is the failure of the Government. This is an important issue as it is related to the hunger of the poor. Therefore, the Government should stop playing politics and be serious about the people particularly the poor people and show earnestness in its implementation. When a few months back, several lakh tons of foodgrains was rotting in warehouses, the Supreme Court directed the Government to distribute the foodgrains among the poor people but the same was not distributed among the poor. I am putting forth some suggestions. My submission is that the Government should take cognizance of these. India has a federal structure and the State Governments are responsible for providing guarantee of food. In Gujarat, 23% people will fail to get the benefit through the targeted PDS. The availability of foodgrains to the BPL families will get reduced. This will provide 25 kilo foodgrains to the BPL families whereas presently 35 kilo foodgrains per family is distributed in Gujarat. This Act will adversely affect the "mid day meal" scheme and increase the financial burden on the BPL families. Under the Act, the accountability of fixing the criteria for identifying the families entitled for food has been left on the shoulders of the State Governments. If you make the food security a right, then abundant quantity of foodgrains should be made available. There is no provision of "Nourishment" security in it. Merely, distributing foodgrains and money is

not going to remove the malnourishment. For this purpose, there should be a provision in the Act for taking measures to remove the malnourishment and taking concrete steps to achieve nourishment.

SHRI JITENDER SINGH MALIK: I fully support the National Food Security Bill as this is long awaited and most needed Bill. This Bill is sure to fulfil the most basic need of any human being for survival. The main obligation of the Central Government is to provide foodgrains to state governments, at prices specified in Schedule I. State Governments have to implement the relevant schemes, in accordance with the guidelines issued by the Central Government. Local Authorities and Panchayati Raj Institutions are responsible for proper implementation of the act in their respective areas. The aim of the Bill is to activate the provisions of the National Food Security Bill, to ensure that no one in the country is hungry and that everyone is well nourished. Priority households will be entitled to cheap foodgrains from the Public Distribution system: 5 kgs. per person per month at Rs 3/kg. for rice and Rs. 2/kg. for wheat and Re. 1/kg. for millets. This means that half of their foodgrain needs will be taken care of by the Government. Priority households will include 75% of the population in rural areas and 50% in urban areas and it will be even higher in the poorer states. For children aged 6 months to 3 years there is provision of nutritious take-home rations from the local Anganwadi; children in the age group of 3-6 years will get nutritious food from the local Anganwadi, in the form of cooked meal every day or take-home rations; children attending school, up to Class 8 will get nutritious, cooked midday meal every day during the school year; pregnant and lactating women will be entitled to nutritious food at the local Anganwadi-either a daily cooked meal or nutritious take-home rations. In additions, pregnant women are entitled to maternity benefits of at least Rs. 1,000 per month for a period of six month; Bill also includes provisions for radical reform of the PDS, to ensure that it works well and without corruption.

SHRI BHARTRUHARI MAHTAB: In terms of mitigating hunger and securing food for its citizen, our country has been consistently portraying one of the poorest records and the country's performance in reducing the number of people afflicted with malnutrition and hunger remains pretty dismal even during the much talked about period of rapid economic growth. Poverty and starvation continues to thrive as relentlessly as before. Every night around 420 million people go to sleep on an empty stomach. While our Budget grew 5000 times of its inaugural size, food production grew by merely 400 per cent. How can any targeted approach address the hunger and food security situation in our country today? The main argument for *per capita* entitlement is equity so that larger families get their fair share. The *per capita* approach

of five kg. per person per month, if implemented, will benefit families with more than seven members. According to National Sample Survey data for 2009-10, only ten per cent of rural families have more than seven members. Whom are you helping? Are you helping the rural poor who have less than seven members in the family and are more than 90 per cent? You are playing jugglery with mathematics! Three points should be noted One, per household approach helps ensure that people are clear about their entitlements. Think of an adivasi family which lives in the Mayurbhani District of Odisha! If the per capita approach entitlement will vary across households, people may get confused and will not understand why their neighbor is getting more than they do. Worse, this lack of clarity is likely to be exploited by PDS dealers to create confusion and give less to households. Second, the per capita approach would open the door to hassles and harassment. Adding a name to the ration card when a new member is included into the family will be difficult and it would encourage bribery. Third, the transition to a per capita system is likely to be disrupted. Per household approach works reasonably well. Now in Chhattisgarh, in Himachal Pradesh, in Odisha, and to some extent in Rajasthan this is doing very well. Our Government in Odisha is opposed to this per capita approach. Alternatively, the Union Government can allocate grain to the States on the basis of the entitled population and let States decide which approach to use. If they want to go in for per household or per person, you leave it to them. Decentralized initiatives have contributed to the revival of PDS in the recent years. Targeted approach has been a fundamental cause of corruption, in the last 16 years since 1977. There is a need to have two lines in our country one is of hunger and another is of poverty. The footnote on page 16 to the Schedule is to bring in contractors. I would urge upon the Government to drop these provisions that would open the ICDS Scheme to a legally mandated monopoly for manufacturers and contractors. There will be no allocation of foodgrains to the APL card holders even if they are from Kalahandi, Bolangir or Koraput region. We are not wheat eating state. We are rice eating state. We do not need wheat. Full quota of rice should be allocated. The hostels of the welfare institutions for Scheduled Castes and Scheduled Tribes, get 15 kg. per head, per month at BPL rate. This provision is not there. How are they going to get the rice.

SHRI ARJUN RAM MEGHWAL: There is a provision in the Food Security Bill to provide 5 kilo of foodgrains per capita per month which is inadequate and this standard does not meet any scientific criteria in this regard. An effort has also been made to put financial burden on the states through the Food Security Bill which is inappropriate because some states like Chhattisgarh and Tamil Nadu are already doing good work in Public Distribution system. In the state of Chhattisgarh, 90% population has been covered through food

security whereas in Tamil Nadu, Universal Food Security has been in force. It is a matter of concern that even after 66 years of Independence, there is starvation and poverty in the country. The poverty rose because our economic policies have not been alright. If every unemployed person in the country gets employment, then there will be no need for the Acts like food security in the country. The Government should study the Chhattisgarh and Tamil Nadu model and formulate a model Food Security Act. There is a need for clearly interpreting the provisions in the Bill with regard to protecting the interests of the farmers.

SHRI NIKHIL KUMAR CHOUDHARY: Nothing could be better than two-thirds of the population of the country having access to foodgrain at cheap rates. But, the actual problem in the country is not the lack of food security but malnutrition. More than six crore children in the country are malnourished out of which 80 lakhs are severely malnourished. Unavailability of food is not the reason for the lack of food security in the country. The country has got vast reserves of foodgrain for which I would like to thank the farmers. However, the foodgrain produced by the farmers is not meant to rot in the godowns. Hence, the need of the hour is to improve the foodgrain storage capacity. Discontinuation of PDS may be a revolutionary step but it may also prove to be a suicidal step. Till the time that food continues to be left to rot in the country, Food Security Bill would be required to feed the people which would be actually a way of deceiving them.

SHRIMATI JAYSHREEBEN PATEL: Despite implementation of more than 50 schemes for poverty alleviation and hunger elimination by various governments after independence, hunger is still pervasive in the country. Now that the general elections are imminent, the Union Government has launched the largest food security scheme in the world to banish hunger. The haste of the government in launching this scheme with an eye on elections may prove to be more harmful than beneficial. I would like to know why the said scheme has been restricted to foodgrains and why pulses and edible oils have not been included thereunder. It is a matter of great regret that people die of starvation in a country where lakhs of tonnes of foodgrains rot in godowns. People in the country are facing starvation despite more than 50 lakh tonne of foodgrain reserves being held in government godowns. Although crores of BPL families will get foodgrains at cheap rates after the passage of the Food Security Bill the quantity they get will be lesser than earlier. The Government has said that assured MSP will encourage the farmers to produce more. Will this incentive work even in the adverse situations of drought, hail, frost and floods? Even now 60 per cent of agriculture in our country is dependent on rain. Foodgrain in government godowns is deliberately left to rot, even when the godowns are not filled to capacity, in order to use it for manufacturing

alcohol. There are also a number of concerns regarding food security viz. it would ruin the farmers and that they would not get any incentives. Where on the one hand, 10 crore people are starving due to the escalating prices of food items, on the other hand, one-third of the food in the world is being wasted or is rotting unnecessarily. This food can assuage the hunger of 50 crore people. The wastage is occurring due to lack of proper arrangements for storage and distribution. The poor are not getting the benefits of globalisation and a growing economy. This Bill may land a death blow to the economic policy of the country and may become detrimental for the economy. If the prices of foodgrain for the poor are not raised then the fiscal burden on the Government will keep growing. This new legislation will affect hill states and less populated states adversely in the matter of foodgrain allocation. The Gujarat Chief Minister has expressed his objections/dissatisfaction regarding this Bill in a letter written to the hon. Prime Minister. He has demanded a meeting of the Chief Ministers of all the States. There are a number of doubts regarding lifting and distribution of foodgrains which need to be addressed. MGNREGS has led to scarcity of agricultural labourers creating a problem for farmers. Marginal farmers are facing a crisis as a result thereof. Agricultural land is shrinking. Earlier, before this Bill was passed, 147.7 lakh people in Gujarat used to get subsidized foodgrain. Now, they will not be able to avail this benefit. If money in cash is given instead of foodgrains then each person could be given double the amount of money in place of subsidy being provided through foodgrain distribution. This would make FCI and PDS redundant. Cooperative stores should be opened in remote villages where exploitation by traders is a valid fear. Smuggling of foodgrains should be prevented and National Foodgrain Banks should be set-up. Village Foodgrain Storage Scheme on the lines of Gujarat should be implemented. Alongwith food security, women and children should be provided protein-rich diet to tackle malnutrition which is a national shame. There should be proper investment in agriculture. Remunerative prices should be paid for agricultural produce.

SHRI NARANBHAI KACHHADIA: The present situation in our country is leading to economic crisis. The price rise in the country is beyond control. The devaluation of rupee in terms of dollar has raised concern in the country. The security of our country is in danger. There is a lack of basic facilities in the country. The government is bringing such an important bill like National Food Security Bill at an inappropriate time. The implementation of National Food Security Bill requires the efficient distribution system for foodgrains. The food corporation of India has no depot in nine districts of Gujarat. The maintenance of additional storage capacity will be a basic need before implementing the National Food Security Bill. There is no provision to connect districts/headquarters through the Railway infrastructure. Work

should be taken up to modernize the storage capacities of FCI/CWC. The claims to be made under the Food Security allowances should be paid in cash and the provision of these allowances should be in proportion to the work done. For identifying the beneficiaries, a special labour card like MGNREGS should be made and the distribution of foodgrains and allowances should be on the basis of this labour card so that any irregularities and corruption can be checked and the needy people get the benefits of this bill. The state of Gujarat feels that the present system should continue and DGRO should run by the officers of the State.

SHRIMATI DARSHANA JARDOSH: In the year 2004, the UPA Government had given a slogan to remove poverty but the prices went up. Before implementing the Bill, a conspiracy was hatched to fix the poverty limit through Planning Commission and the BPL Card Holders have been forced to take the path of suicide because after the implementation of this Bill, he will be compelled to purchase approximately 10 kilo foodgrains from open market. The Union Government has implemented the Bill before doing the ground work. Who will be the beneficiary, what will be his economic status, nothing is clear in this Bill. Due to different poverty limits in each state of the country, the beneficiaries will be identified on the basis of separate criteria which is perhaps the most misleading criteria in this Bill. This bill will lead to a monthly increase of app. Rs.100 for BPL card holder families. This bill is going to put a financial burden of approximately Rs.1.30 lakh crores on the country and agriculture sector is going to be most adversely affected because the Government is already not paying compensation to the farmers.

SHRI A.T. NANA PATIL: The Government has miserably failed to implement the Millennium Development Goals of the United Nations. In this bill eradicating extreme poverty and hunger should have been linked with the ever increasing population of India. The Government has not considered the benefit of the tax payer in this bill at all. This amount of Rupees 1,08,966 crore is provisional. The Government has not disclosed the other hidden cost which the states have to bear. The states which are contributing more amount of revenue will be a great sufferer or looser, as the major population in such states will not get benefit of free food, as they are tax payer. The States, which are not contributing to the Union budget, will get more benefit as most of their population will be a non tax payer. This Government is in the great hurry as it never felt to discuss this issue with the tax payer who will provide the millions of Rupees in next years. The Government has forgotten the Other Backward population which represents more than 50% India population. There is an urgent need to include the other backward classes and non-governmental organizations in these vigilance committees. There is hunger in our country and hence we are bringing this bill, but at the same time

the Government is intentionally and deliberately damaging the food grains so as to use it for production of Alcoholic liquor. The Government must prepare the legal, institutional, social and financial framework for implementation of this important bill by discussing this with all the stake holders. The lapses in different schemes of food grains which are clubbed with this bill should be reviewed. Public participation and all stake holders participation including tax payer should be allowed before passing this bill.

**DR. BALIRAM:** It is not possible to provide food security to all the poor across the country without removing the shortcomings in the Bill. The targeted beneficiaries have not been specified in the Bill. It has been introduced to make electoral mileage. The Wasteland and Barren land constitute almost double the area of land under cultivation in the country and is under Government's custody. If the Government distributes these lands among the landless poor then such poor would cultivate their own land instead of cultivating other person's lands and their children would never sleep hungry and naked. Their financial condition would not be strengthened and such food security bill would not be required. My suggestion is that vacant lands should be distributed among the landless; the number of the poor should be determined after identifying them; provision of foodgrains to the actual beneficiaries should be ensured; each state should enhance its storage capacity; the Government should take the guarantee to procure the foodgrains produced by the farmers; the Government should provide maximum funds to the states so as to streamline the scheme; the benefits of the scheme should accrue to the actual beneficiaries; it should be monitored from time to time so as to check inappropriate use of this scheme; the norms for BPL, APL and the poor should be improved.

SHRI GANESH SINGH: This Bill seeks to provide food security to every needy person across the country, however, it appears to seek vote security more than food security. The actual figures of the below poverty line people across the country is not clear, the Union Government does not recognize the poverty line of the states so who would be covered under the scheme is not clear. Which scheme favouring the poor can be successful in a country the Planning Commission of which is unaware of the reality of poverty? The Bill should be drafted bearing in mind the effective ongoing schemes providing for bellyful meal to the poor in Madhya Pradesh, Chhattisgarh, Gujarat, Tamil Nadu and Punjab. The Bill provides for per capita 166 gram foodgrain per day which is very meagre. The scheme would require 650 lakh tonne foodgrains while the godowns have merely 400 lakh tonne storage capacity. Besides, comprehensive reforms in the Public Distribution System would be required to extend the benefits of this scheme to the poorest of the poor. Special facilities will have to be provided to the farmers to make the

country self sufficient in foodgrains. The states should be taken in confidence before implementing this scheme and the Union Government should provide for all the imminent expenses.

SHRI SHAILENDRA KUMAR: This Bill is anti farmers. Right from the land of farmers upto the price and procurement of his produce, full guarantee should be giver. So far, BPL cards have been made only on the basis of 1997. Even the figures of AAY are not correct. There is a need to issue BPL and Antyodaya Card to the actual needy. The Union Government should bear the expenditure on storage, transport and distribution. Guidelines should be made to bring uniformity in distribution. A conference (meeting) of Chief Ministers of all states should be convened before adopting this bill. This bill is being introduced only to make political and electoral mileage. A.A.Y. family would be in crisis which is getting 35 kg. wheat for Rs. 70. This Bill would give 35 kg. wheat for Rs. 185. The Sumitra Choudhary Committee constituted by Planning Commission in 2012 recommended 61.3 million tonne storage capacity. While the current storage capacity is only 29 million tones. Priority should be accorded to the minority community particularly the backward Muslim Communities recommendations besides the Scheduled Castes/Scheduled Tribes under the said scheme.

SHRI ANANT GANGARAM GEETE: Hunger and poverty are the major problems afflicting almost the entire country. Approximately 80 per cent people in the country are combating with starvation. The people including children suffering from malnutrition or starvation would definitely get some relief from this bill. The foodgrain to be distributed is produced by our farmers and it is necessary to safeguard their interests. The country cannot be saved from starvation merely by formulating schemes or making legislations. The Union Government should provide for the funds required and cooperate fully with the states.

SHRI PONNAM PRABHAKAR: The National Food Security Bill, 2013 is a historical occasion to turn our country and its people into a prosperous nation. It will raise the level of nutrition and the standard of living of our people. To implement this scheme successfully, there is a need to strictly ensure grievance redressal mechanisms, right from the district level to the National level. Further, their implementation also has to be periodically monitored and reviewed at all levels with the help of CCTV cameras. Transparency and accountability should be ensured by social audit which should be conducted by a Third Party to avoid any irregularities in the functioning of this scheme and thereby making it a resounding success. I would suggest that full freedom to each state should be given in utilizing

the budgetary allocations with regard to the programme. I would also request the Government to enhance the quantity of foodgrains from 5 kg. per person per month to atleast 10 kg. per person per month. I would also recommend strengthening and modernization of the PDS so that tracking delivery and distribution of foodgrains by the fair price shops becomes more transparent and prompt. We should take adequate measures towards strengthening our food storage facilities as well. AADHAR cards should, at the earliest, be prepared without any discrepancies so that only genuine people avail this scheme. Food Security Scheme is necessary for a poor country like ours and is very much the need of the hour.

\*SHRI C. SIVASAMI: If the food security Act is implemented, allocation of rice to Tamil Nadu will be reduced by 1 lakh tonnes per month. To compensate this, the State government will have an additional financial burden of Rs. 3000 crore per year. Hon. Chief Minister of Tamil Nadu has time and again stressed that the present allocation of rice to the State should not be minimised at any cost. Union government should supply 14.90 lakh metric tonnes of rice at the earlier price. Only then the demands of the people of Tamil Nadu will be fulfilled. If it is not so, Government of Tamil Nadu will have to spend an additional amount of Rs.1000 crore. Under the existing Public Distribution System in Tamil Nadu, all the ration card holders are provided rice free of cost. There are provisions in the Bill for cash transfer and issue of food coupons which are unacceptable.

SHRI DILIPKUMAR MANSUKHLAL GANDHI: It is difficult to say with conviction as to what action the UPA Government, surrounded by problems, is likely to take. Even though it has laid its biggest bet on food security, the Ministers of Congress Government are not very sure about intended benefits of the same. At last, the UPA-II which came to power on the basis of promise made during election in respect of food security has completed four years. There will be additional burden of total Rs. 23,000 crore on the Government due to proposed Food Security Bill. Despite all this only 67 per cent families of the country are likely to be covered under food security. On one hand population coverage under proposed food security is higher in comparison to the Targeted Public Distribution System implemented in the country and on the other hand scope of the food security has been curtailed. Under the proposed food security per month 25 kg. foodgrains will be provided to an average family of five persons, whereas 35 kg. foodgrain is being provided so far. In various states of the country, poor are being provided rice at the rate of Rs. 2/- per kg. and in some states Rs. 1/- per kg.

<sup>\*</sup>Original in Tamil.

SHRI HANSRAJ G. AHIR: It has been ensured to bring around 67 per cent people of the country under food security through the Food Security Bill. But nothing has been mentioned in the Bill in this regard. The State Governments have been assigned the task for identification of beneficiaries under the scheme. This Bill appears to be motivated by politics. Certain states of the country have already provided food security to the people. Food security scheme would have been successful had the Government strengthened Public Distribution scheme. There is acute shortage of proper storage facility of food grains in the country. Similarly, the problem of shortage of adequate man power for food security will be a major concern. In such a situation, we have to consider as to how we ensure implementation of food security. Whether per month 5 kg. foodgrain is sufficient for a person to survive. The Government should also consider this aspect as to what a person will do in case he requires more than 5 kg. foodgrain. It could adversely affect export of agriculture produces as well as minimum support price of agriculture produces. No provision has been made in the Bill in respect of effective steps likely to be taken by the Government to ensure quantity and prices of food grains being provided under food security. It could also affect labour intensive system of the country. We are making people of the country lazy and helpless in the name of food security. The Government is making provisions to provide only coarse grain under the food security. But whether coarse grain is sufficient to provide nutrition.

THE MINISTER OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI PRAFUL PATEL): We are going to pass a historical Bill in this House. All parties including our allies are agreed to the Bill. Our Government has presented and implemented a number of important Bills. A number of development works have been initiated so far. It is shameful and painful for us that crores of people in the country are poor and under starvation. Hence, it is necessary for us to think about them. It is very unfortunate that there are various countries in Asia which are lagging behind us in various fields but condition of poor or malnutrition in those countries is better than us and we are lagging behind them. Therefore, it is necessary to seriously discuss all these matters here. Hence, the Government is bringing this historical Bill. If you find certain shortcomings in the Bill, then it is the initial phase. You may get the chance to amend this Bill later on but first let it be implemented. I accept that we are implementing it in 70 per cent villages and 50 per cent cities only but it will be implemented throughout the country in future. The issue to implement food security is being raised in the House and outside for the past many years. Various people have said that it will ruin our country and its economy. It is very sad.

Economy of the country of the country is expanding. It is certified that our economic growth has increased at healthy rate due to which country has made progress. We have fragmented land holding and small land holding despite that the achievement of our farmers is remarkable. We have to pay proper attention to the farmers of the country and have to take major decisions in order to increase production of farmers.

SHRI RAVINDRA KUMAR PANDEY: The Government should provide pulses and other nutritional supplements apart from foodgrains through the public distribution system under the Food Security Bill. The foodgrains got rotten in the houses of the farmers and in godowns of the Government due to lack of adequate storage capacity. Therefore, the storage capacity should be increased and the rotten food should not be distributed among the poor. The price rise is affecting people of the country, hence, the Government should also make provision for them in the bill.

SHRI ANTO ANTONY: The Bill is a historic move, which will bring tremendous change in society. Despite of the saga in food production, it is painful to state that around one-third of our fellow-citizens still live in utter poverty. 43% children in India under five years are underweight, it has the highest number of deaths of newborns on the first day of life. Maternal malnutrition is considered to be one of the reasons of the highest number of deaths of newborns in the country. The state of food insecurity among the people below poverty is due to their lack of economic access to healthier food is a major challenge our country faces today. Food security is a condition that ensures the consumption of the nutritional target of or above 2,100 calories per day per person. In terms of this standard, 24.6 crore people in the country are food insecure and it make up 30 per cent of the total food insecure people in the world. National Food Security Bill is to overcome these challenges. The Bill ensures food supply entitlements to 75 per cent of rural and 50 per cent of urban people. It also ensures meal at free of cost to pregnant women and lactating mothers during pregnancy and six months after the child birth, meal entitlements of children between the ages of six months and 14 years and malnourished children. However, the present Bill is limited in its scope if we compare with the Food Security Bill-2011 introduced in the Lok Sabha in 2011. If the Government re-insert the sub-sections 3, 4 and 9 of section 2 as well as sections 8 to 12 of the Bill to the present Bill, then the destitute, disaster affected and homeless persons respectively will entitle to get the benefits of the Food Security. However, sub-section 1 of the Section 3 of the 2013 Bill, omits general households. Therefore, general households are not eligible to get three kilograms of

foodgrains per person per month at subsidized prices. If sub-section one of the Section three of the 2013 Bill will come into force, around 123 lakh people in Kerala will be excluded from the Public Distribution System (PDS). Moreover, reducing the quantity of subsidized foodgrains will also have adverse impact on Kerala. Therefore, I propose to amend sub-section 1 of the Section 3 of the National Food Security Bill, 2013. I also suggest to amend the Schedule I of the National Food Security Bill, 2013. I propose to replace the term eligible households by priority households in sub-sections 1 and 3 of the Section 22 and sub-section 3 of the Section 24. There is a mismatch between storage capacity and foodgrain requirements in the State of Kerala. I request the Government to enhance the storage capacity of godowns in Kerala and take a positive step on the above requests.

SHRI DINESH CHANDRA YADAV: The National Food Security Bill will be meaningful if the Union Government bears the financial burden of the State Governments in implementing it and construct the godowns for storage purpose. Bihar is a backward State and its financial position is not sound. The scheme cannot be implemented there by the State Government on its own if the burden of expenditure is not borne by the Union Government.

SHRI BALKRISHNA KHANDERAO SHUKLA: Before the passing of Food Security Bill, the ration card holders of A.P.L. category used to get 2.5 kg. wheat per head and 15 kg. wheat per card at the rate of Rs. 7.50 per kg. under PDS. However, after the passing of this Bill these 27 lakh families and approximately 23 per cent clusters will be deprived of this benefit. From now onwards, the B.P.L. card holder family consisting of five persons will get 25 kg. food grains instead of 35 kg. food grains they used to get earlier, thus they will have to purchase 10 kg. foodgrains from the market which will put an additional financial burden of Rs. 85 per month on B.P.L. families. According to the Bill, each member of priority household will get 165 grams of foodgrains everyday according to 5 kgs. foodgrain per month which is insufficient for their daily needs. Under the Mid Day Meal Scheme, there is a provision to provide 255 grams of foodgrains along with vegetable to the children between the age of 12 to 14 years. Whereas under the Food Security Bill, 2013 the Antyodaya and priority householders will get 233 and 165 grams of foodgrains per day which is much less than the 2480 calories required per day. It is a matter of concern that passing of this Bill will increase the financial burden of BPL families instead of decreasing. Under section 10 of Food Security Bill, 2013, in order to ascertain the priority households, the time limit of 180 days is very less and it should be increased. Under the column 23 of Food Security Bill, 2013, if the stock of foodgrains distributed by Government of India is

less than the approved quota, financial assistance would be provided against the balance stock to be distributed.

**SHRI ASHOK ARGAL:** There is acute shortage of godowns for food grains in the country, as a result of which lacs of tones of wheat get rotten in rainy seasons and rats make feast of it. Instead of allowing such wastes, that should be distributed among the poor. The Government has drawn up an employment guarantee scheme to give employment to the poor. But the wages fixed are very low. Keeping in view the price rise, atleast Rs. 1000/per day should be given. Before elections, Government had announced in its election manifesto that it will control the price within 100 days. It is necessary to compare that what were the prices of essential items at that time and what are the prices of these today. It is to be given consideration.

**DR. M. THAMBIDURAI:** This Bill in its present form is affecting our State, Tamil Nadu; that is why AIADMK Party is opposing it. Hon. Minister said, this is the first time in the history that he brought this kind of a Bill. But this kind of scheme was initiated by Tamil Nadu. You are telling about the Targeted Public Distribution System. We want Universal Public Distribution System as implementing in Tamil Nadu; then only you can give food security to the poor man. It is our Indian Culture to give free food to the poor people. But you are not following that. You are giving rice at a cost of Rs.3 per kg. why are you charging the price? The Supreme Court, in its recent observation has said, we are having a lot of food-grains in the godowns, which is rotting. But our Tamil Nadu Chief Minister is giving 20 kg. of rice per family on costless basis. You are giving 5 kg. of foodgrains per family member per month. There is going to be shortage of rice. How you are going to solve it. In what way you are giving the guarantee to see that 20 kg. of rice that Tamil Nadu Government is giving to the households per month be protected? You are now going to have nutritious food schemes for children; already our Chief Minister is implementing that. The raising concerns of our State in implementing the National Food Security Bill are not taken into consideration. They are implementing this food security scheme just to take the benefits in the election. By way of implementing this National Food Security Scheme, our Tamil Nadu State Government has to bear an additional burden of Rs.3000 crore. Whether the Centre is going to come forward to compensate. The UPA Central Government would not help the Tamil Nadu State but they want to take the whole credit as they are giving free rice to all the people by way of implementing the National Food Security Scheme. Our Chief Minister has written many letters to Hon. Prime Minister requesting that whatever the quantity Tamil Nadu is taking that has to be protected. They are not even protecting the existing financial burden on Tamil Nadu. In

these circumstances, how can we support this Bill? Our Tamil Nadu State is not benefited by this Scheme. If they want to unanimously pass this Bill, they have to discuss it with all the Chief Ministers and come to conclusion as to how to implement this Scheme. They have to also see the financial burden on the State Governments.

**PROF. RAMSHANKAR:** It will not be appropriate to comment now about the benefit likely to accrue to the poor of the country by this Bill. Due to price rise on the one hand farmers are compelled to commit suicide on the other hand common people are on the verge of hunger. There is no mention about the solutions of the practical problems in the Bill. There is no concrete provision for distribution in the Bill. I demand that amendments be made in the Bill to make sufficient food available by identifying the genuine entitled persons and the model of Chhattisgarh Government should be followed to make the benefits reach to the entitled persons in a corruption free manner.

SHRI MAHENDRASINH P. CHAUHAN: If we look at some important indications of Food and Nutrition Security of India, there is little hope that the country would be free from the clutches of hunger and malnutrition in the near future. However, I would like to highlight some of the disadvantages of the National Food Security Bill, 2013. The Revised National Food Security Bill (NFSB), 2013 represents a crucial political economic approach to welfare of the people of India. However, NSFB has not been able to garner support from all corners. India has for more than its needs for its buffer stocks but because people don't have purchasing power. Legislating a Right to Food does not address this problem. There has been enough evidence that the Food Security Law is going to play havoc with Government Finances. Food Security Bill will mess up price signals byjacking up Minimum Support Prices for Rice and Wheat and discouraging diversification in Agriculture. The Bill proposes to cover 75 per cent and 50 per cent respectively of rural and urban populations. This proposals has only two categories- covered and uncovered. The Food Programme will be implemented- through the Public Distribution System (PDS). The biggest challenge is fixing pilferage in the PDS in the states where poverty is more. Government's initiative on the Food Security Bill is not sustainable as it will have a big effect on fiscal deficit in coming years. The Government needs to change the orientation towards inclusion if we want a more inclusive, more sustainable and faster growth.

**SHRI GORAKHNATH PANDEY:** I would like to put forth some suggestions on the National Food Security Bill. A very large chunk of population of the country which is living below the poverty line requires to be

covered under the Food Security Bill. The intent and main feature of the Bill is to ensure that people are saved from dying of starvation and are provided food grains at subsidized rates. There is no information regarding the exact number of the poor in the country. It needs to be monitored that the people who are actually living below the poverty line get the benefit of this facility. The quantity of food grains sought to be provided is quite insufficient. The quantity of food grains should be increased to 15 kg. from 10 kg. Besides, other commodities like pulses and spices should also be provided. The farmer in the country is in a miserable condition and he needs credit, water, seeds and electricity and the cost of agriculture continues to rise. He resorts to distress selling of his produce. He should be given remunerative prices of his produce. Proper storage facility for their produce should be provided. A system of marketing for their produce at remunerative prices should be put in place at the village level itself. Thousands of tonnes of food grains rot in the country every year due to lack of storage facility - whereas crores of people are compelled to sleep empty stomach. Prices have gone up. The prices of Diesel and fertilizers are continuing to rise which needs to be tamed. While supporting this Bill I would like to lay emphasis on amelioration of farmer's lot.

SHRI NAMA NAGESWARA RAO: The Government has introduced Food Security Bill but there are many loopholes in the implementation of this bill which are to be plugged in. There is nothing in this bill to protect the farmers and MSP price. There should be some provisions in this regard. If the Government do not take care of the production of rice and paddy then how the farmers can make progress. The Government should provide guarantee for drinking water, for development of poor in villages and to the farmers for MSP price along with food security. There are many amendments and these should be mentioned in this bill.

SHRI PREM DAS RAI: It is a piece of legislation that has been on the anvil for over four years now. This is a complex legislation in view of the many definitions that need to be done. Furthermore, who constitutes the target segment? In recent years we have seen two parts of a very difficult situation. On the one hand we have piles and piles of grains which are rotting. On the other hand we see the hunger of people in various parts of the country. The hon'ble courts have taken cognizance of this and have directed the executive to bridge this yawning gap. Whether this legislation will go that far is questionable. However, as has already been said by Soniaji, we will learn from the implementation. All pieces of legislation which needs the full cooperation of the State Governments will need to be fully discussed with the States. Our Chief Minister has instituted innovative schemes in the state

of Sikkim to take care of food security. This has been working wonders. I commend that the model of Sikkim be taken into account as it is one which has been working in the State for a long time. Sikkim is one State that has practically no malnutrition or any hunger. We also have a way of ensuring the local produce are used to take care of hunger. Hence, the Food Security Bill will be a landmark piece of legislation which will be watched by the world in how it works for the poor in our country.

**SHRI SANJAY DHOTRE:** There is no mention for increasing our storage capacity in the National food security Bill. The most important thing is that as to what we are doing for the security of farmers who grow foodgrains to bring this food security. Food security cannot be ensured without the security of farmers. Therefore, a new bill should be brought instead of existing one after consultation with concerned farmer organizations, State Governments etc.

**SHRI SOHAN POTAI:** National Food Security Bill will benefit 66 per cent of the total population of the country. But the norms prescribed by the Planning Commission for the poverty is mockery of the poor. It is a joke to guarantee the poor to give them rice at Rs. 2/- per kg., wheat at Rs. 3/- per kg. per capita and grains at Rs. 5/- per kg. Poor will not eat only bread (Roti), in addition they will need vegetables, pulse, salt, oil and chilly. If provision of kerosene oil to cook the food is made in the Bill then the Food Security Bill will prove useful for poor. In this regard my submission is that the Government should follow the Food Security Bill implemented in Chhattisgarh.

SHRI P.T. THOMAS: It is a landmark legislation. From UPA-I onwards, this Hon'ble House has been a witness to several landmarks legislations. This legislation will eradicate hunger ridden life of our rural India. This legislation will have retrospective effect from 5 July, 2013 onwards. Under this act, every entitled person will receive five kilograms of food grains per month. This legislation provides nutritional support to pregnant women, lactating mothers and children. This act is also important for the empowerment of women. The National Food Security Bill, 2013 is not only a social security legislation but also a notable legislation.

SHRI JAYANT CHAUDHARY: Sociologists, economists know that getting two square meals is a struggle for the poorest section and bringing this Bill will put economic burden on the Governments. I believe that it is not a burden but a moral obligation of the Governments. More than 50% of the children below the age of 5 years are suffering from malnutrition and two-third of the women are anaemic in the country. We will have to find the way to somehow bring them into the mainstream, empower them and

make them self-reliant to quell their hunger. Today, no economist is making an assessment about the affect this will have on our GDP, growth and social system. It is such an obligation that we cannot turn our face away from it. When we visit our constituency, then the maximum numbers of complaints we receive are related to the PDS system. Saxena Committee has said that there is 61% exclusion error *i.e.* the names of the persons, who should be included in the BPL list, are not there is the list. Out of the total names in the list, 25% are fake. We after say that we have a federal structure in the country and we have given full power to the State Government to ensure who should be the beneficiaries. It is a very big step. Besides the shortcomings in the BPL list, it is a positive effort through this scheme so that we can provide some benefit to the poor people. Many of the members have expressed concern as to the effect it will have on the agriculture sector. For this, we will have to streamline the fixing the MSP prices. CAPC should also have a role in deciding the quantum of duty to be imposed on imports and exports in the international trade. A major question is about subsidy versus investment. Some people say that markets get diverted by providing grants while investment develops the markets. Food and fertilizer subsidy, which is a kind of market distortion, is rising constantly. We will have to pay attention towards research in the field of agriculture. Today, the land of the farmers is being diverted for purposes other than agriculture. For this, we will have to encourage the farmers so that there is no adverse effect on the agriculture production. We, therefore, need a balance in subsidy versus investment. We will have to pay attention to the efficiency of the people in the country so as to make them self-reliant. To think that poverty will be eradicated by making a legislation is not true. The poor of the country is not a burden for the country rather he is the strength of the country.

SHRI P. KARUNAKARAN: The main feature of this bill is the introduction of targeted public distribution system, which specifies that 75% of the rural population and 50% of the urban population shall be entitled for foodgrains under TPDS. Out of this 46% of the rural and 20% of the urban population shall be categorized as priority section. The Bill also proposes a special group such as pregnant women, lactating mothers, children, destitute, homeless and starving persons. I have my own observations and views on the provision of cash transfer and cash coupons. It would not give result since the money may be misused. Three categories have been demarcated for getting subsidized foodgrains. The prices are also vary. I strongly demand for the universalisation of public distribution system. The targeting mechanism has been prone to large inclusion and exclusion errors. The scheme would put big financial burden on the shoulders of the States, in some cases the cost will be shared between Centre and State Governments. Most of the costs have to be

met by the state. It includes nutritional support to pregnant women, lactating mothers, midday meals, Anganwadi infrastructure, meals for child, meals for persons in starvation, transport and delivery of foodgrain, storage facilities, costs associated with state food commission. If states are not in a position to allocate sufficient funds for this purpose, implementation of the Bill would be difficult. This Bill provides destitute persons one free meal per day and persons suffering from starvation two meals per day for six months. The Bill fails to explain why the entitlement provided for these two groups differ. What is the basis of fixing percentage of BPL, APL in each State? The total cost of implementing the Bill is estimated to be Rupees 3.5 lakh crore. Kerala has stated that there is a big burden on the State if the Bill is passed in its present form. Kerala is a food deficient State and depends on the EPDS to provide food security to the people and control the prices of essential foodgrains. As compared to annual requirement of foodgrain in respect of the State of Kerala, the allotment is only 1,0528 tonnes which means that there is shortfall of 105726 tonnes. It will severely distort the financial situation of the State. The storage capacity of the State is nominal and it would be much difficult to meet the demands with the existing godowns facilities, if the bill is passed as it is.

SHRI P.L. PUNIA: The National Food Security Bill is an important aspect so far the resolution taken by the UPA Government in 2009 is concerned. As per the provisions of this Bill it is proposed to provide foodgrains to the 75% of population residing in rural areas and 50% of population residing in urban areas. It has also been proposed under the proviso of this Bill that rice, wheat and coarse grain will be provided to all the eligible people at the cost of Rs. 3/- Rs. 2/- and Rs. 1/- respectively within 3 years of implementation of this act. It has been estimated that almost 82 crore people will be benefited with this program. This bill has been formulated keeping in view of problems of the poor. It also opines to give maximum benefit to the people belonging to the schedule castes. It is, indeed a matter of joy for all of us that this Bill is going to be passed in spite of continuous impediments created by the opposition. The UPA Government, hon'ble Prime Minister and UPA Chairperson deserve accolade in passing the Bill. There is no doubt that creating warehouses for the storage of foodgrains is a big challenge before us. It is also a fact that the Central Government cannot implement this programme alone, therefore the State Governments have to contribute their lots to achieve the objectives of this important Bill. Identifying the targeted groups and making its benefits to reach the desired people is also a big challenge before us where the help of State Governments is required most. It is therefore, for the State Governments to understand their responsibilities and prepare a list of all the targeted people for proper implementation of this scheme and also to ensure that its distribution is done honestly.

SHRI VIJAY BAHADUR SINGH: A promise has been made to provide foodgrains at concessional rate to 67% people of India having a population of 125 crore under 'Food Security Scheme'. This Bill has been brought in haste with intention of securing votes instead of improving the condition of the country. No comprehensive discussion has been made with the Chief Ministers of various States regarding the financial implications of the scheme. Implementation of the Bill will be difficult in view of last fifty years performance of PDS. Though some States like Chhattisgarh, Gujarat and Kerala have achieved 90% success in PDS. India has been self sufficient in foodgrain production since 1970. PDS, Antyodaya Anna Yojana, Mid-day Meal Scheme, MNREGA and ICDS have failed due to improper implementation. Poor people of this country need good schools, modern education, constant supply of power, roads, health facilities, corruption free India and good governance. This Bill provides 7 kg. foodgrains wherein 3 kg. wheat, 2 kg. Rice and coarse grains are proposed to be given which is insufficient for a poor person. Corruption will increase if transparency, sincerity and modern technology is not adopted in PDS. ICDS Scheme is completely different from the other feeding schemes as its real objective is to identify, recognize and fulfill the deficiency of vitamins, minerals, proteins and calories in the existing diet of the children of the age group of 6 months to 6 years and pregnant and lactating women. On the contrary, Mid-day-Meal aims at providing a regular meal to the children in the age group of 6-14 years with the object of alluring and encouraging them to come to schools and get education. I request that the provision of 'Ready to Eat Meal' which has been removed from Part II of Second Schedule should be restored. This Bill is a welfare measure for poor people and the Government is expected to implement it properly.

SMT. HARSIMRAT KAUR BADAL: The aim of the National Food Security Bill is to provide for food and nutritional security by ensuring access to adequate quantity of quality food at affordable prices. I do not understand how a Bill, that provides no proteins, no vitamins, no pulses, no dairy products and none of the essential nutrients that are required, can claim to provide nutritional security to this nation. WHO and ICMR say that an adult requires minimum 10 to 14 kg. of foodgrains. On what basis has this Government reached the conclusion that the quantity of 5 kgs. per person is more than enough. The rotting of grains under extreme weather conditions is the reality of the quality of grains that is going to be distributed to the poor people of this country under this scheme. This Government has totally failed to control food inflation in the last 9 years. This Government needs to learn a lesson from the Government of Punjab that brought in an Atta- Dal Scheme. This has been given to 16 lakh families since the last 6 years. Even the Planning Commission has admitted that in Punjab where the population of poor was

21 per cent in 2005 has come down to 8.2 per cent in 2012. This Government's intention to provide nutritional security will only be proved if Government support my amendment to include pulses in this Bill. In our country small and marginal farmers produce 52 per cent of the total wheat and rice of the country. If this Government is going to subsidise their food grains at Rs 2 and Rs. 3 then why should the farmers bother growing his own crop. The food production will plunge but the food requirement will increase and inflation will go through the ceiling. This is the reality that this Government needs to think about. If there is one bad year where there is a flood or drought and food production drop, Government will be forced to import food from the world. There will be a global food crisis. Rs.1,30,000 crore food security burden is not only going to increase the fiscal deficit, but it is also going to put pressure on the Government on not to increase the MSP. I demand that cash transfer provided under clause 8 of the Bill be deleted from the Bill to safeguard the farmers, to safeguard their livelihood and to ensure that agriculture in our country is not finished. Today in our country, there is lack of storage and infrastructure. In a State like Punjab, the rail rakes are 20 per cent lesser than what is required today. We talk about food security, but most importantly what about the water security. NASA says that our water tables are going down and, in 20 years, Punjab State will become a desert. The Government cannot give Punjab a merely Rs. 3,500 crore to ensure water security and food security of the State. The game that Government need to change is to address their inefficiency and get their policy right.

SHRI GAJANAN D. BABAR: It has been provided in the Food Security Bill, 2013 that the Union Government will determine eligible people in each State and State Governments will identify the households. The Bill ensures food supply entitlements to 75 per cent rural people and 50 per cent urban people. 48 per cent rural households and 28 per cent urban households have been included as priority households and the remaining households as general households. Every person belonging to priority households shall be entitled to receive seven kilograms of foodgrains per month and not less than three kilograms of foodgrains per person per month in case of general households at subsidized prices. The Bill also provides entitlement of food for special categories and it includes meal entitlement for pregnant women, lactating mothers, children between the ages of six months and 14 years and malnourished children, disaster affected, homeless and starving people, setting up of Grievances Redressal Mechanism at district, state and Central level. There is also a provision to improve Targeted Public Distribution System. The error could be occur in the process of categorization of beneficiaries in three categories, identification of beneficiaries and the inclusion in and exclusion from the categories. There is a need for adequate budgetary

allocation by Legislative Assemblies to set up Grievance Redressal Mechanism. The State Governments do not have adequate budget for the purpose due to which implementation of the Bill could be affected. There is still scope for improvement in the Bill and it would be totally wrong if we say that the Bill is fool-proof. If the Government overcome the shortcomings of the Bill, then certainly it will prove boon for the poor of the country.

**SHRI TUFANI SAROJ:** I would like to draw your attention towards the drawbacks of Food Security Bill. The Government has made a provision of 25 kg. of food grains per month for a family of consisting of five people. As per this estimation, 82 gram of foodgrains will be available to every person per meal which is not sufficient. 25 kg. of foodgrains would come for Rs. 50/- per family at the rate of Rs. 2 per kg. foodgrains whereas earlier BPL card holders were getting 35 kg. of foodgrains for Rs. 145 and if we purchase 10 kg. of foodgrains from the foodgrain Market then we have to spend atleast Rs. 35 extra. In this manner, as per the earlier practice, we have to spend Rs. 185 for getting 35 kg. of foodgrains whereas earlier BPL cardholders used to get 35 kg. of foodgrains for Rs. 145. In this manner, it is a fraud with the poor people and in future the poverty will only increase and we have to take a comprehensive look to find its reasons in order to eradicate it totally. Interests of the farmers are ignored in this bill and farmers are not getting suitable prices for their produce. A farmer's son is unwilling to take the profession of agriculture, on this the Government should ponder seriously because when agriculture is strengthened in the country then only the country will become stronger.

SHRI RAMASHANKAR RAJBHAR: It is not clear as to who will be eligible to get benefit under this Food Security Bill and how the eligible persons will be selected. I have apprehension that the manner in which the influential persons get their names included in the BPL list and the real needy persons gets excluded in the same way the influential persons may succeed in getting their names included for getting benefit under this Bill and the real needy persons may get excluded. There is a provision in this Bill that foodgrains would be delivered door-to-door. I am afraid that this Bill might meet the same fate like the Public Distribution System. The Government will have to take care of all these things. Finally, I would like to request the Government that people belonging to several castes like Bhar, Rajbhar, Waghai, Wind, Dhimar, Khar, Kashyap, Kewat, Kumhar, Lonia, Nonia, Chauhan, Prajapati, Mallah, Machua, Nishad, Nai, Turha etc. of Uttar Pradesh should be covered un this Bill so as to get them rid of starvation.

**SHRI RAMSINH RATHWA:** This Bill is likely to be proved an utter failure in the days to come. It would have been better had the Government

summoned the Chief Ministers and Chief Secretaries of all the States and had discussed the issue at hands and then would have included their recommendations pertaining to the bill. It seems that the Government, of late, is bringing new bills in order to attract votes in view of ensuing election. In fact this bill should have been brought at the time when the country got independence but nothing has been done as such. Therefore, the need of the hour is to strengthen the existing system and proceed. Therefore, I am of the opinion that nothing will happen just passing the Bill. To achieve the desired objectives, there is an urgent need of positive thinking and honesty.

SHRI LALU PRASAD: The UPA Government is going to pass the National Food Security Bill in the interest of poor, oppressed people of the society, schedule castes, schedule tribes, minority, OBC, most backward classes people and the deprived section of the society on an historic and auspicious day. There may be lacunae in the bill which can be rectified at its implementation stage but it is entirely inappropriate to question the sanctity of this Bill. It is the responsibility for all of us to pass the Bill. Money is neither an impediment nor a contributor to implement the proviso of this Bill. Nobody, nor any power on this earth can stop the implementation of this important Bill. Therefore, I request everybody to make hay while the sun shine. It is also pertinent to note that Bihar is a flood prone state. Therefore, it will be difficult to make the benefits of this Bill to reach the targeted group in the absence of godowns and storage capacity in North Bihar. It is also requested that more and more poor people and their family, who are living below the poverty line, should be covered under this programme. It has also been learnt that the Government is going to amend certain rules and regulations so far the economic assistance is concerned. While doing so, they have to keep this thing in mind that no poor people is discriminated. Therefore, there is a need to correct the list of targeted group and include those poor family who have been left out by getting survey done by the State Governments. We have to understand the far reaching consequences of the Bill which we are going to pass.

SHRI S.S. RAMASUBBU: In order to raise the level of nutrition, the standard of living of the poor and to improve the public health in the State level universally the National Food Security will be a boom to the poor. Food security means availability of sufficient food grains to meet the domestic demand as well as access to the individual level adequate quantities of food at affordable prices. The Bill has a special focus on the needs of the poorest of the poor women and children. Already our UPA Government introduced the MNREGA in rural areas. Here also the equal wage for men and women is to empower the women in rural areas are successful one. Subramania Bharathi

has written a poem that if there is no food for a single person we will destroy or demolish this entire globe itself. Now the dream of Poet Subramania Bharathi is realized by introduction of this historical Bill. Our Madam Sonia Gandhi, Chairperson of UPA Government by putting mercy on poor people cautiously brought into reality which is going to benefit the poor, children and women. Each and every people is going to appreciate this Bill. Saint Thiruvalluvar has written in a Thirukural that a country can be strong enough when there is no starvation, when there is no health hazard and when there is no continuous aggression from enemy countries. Under the nine and a half years of rule our UPA Government, we protect this country from external aggression, protect the people from health hazards by introducing health mission, and protect the country from external threat from enemy countries and menace of terrorism. Our UPA Government introduced this Bill in order to put an end to poverty and starvation. The entire nation is accepting this Bill. Each and every State should cooperate with Central Government to fulfill the need of the food materials to poor by introducing and following the TPD system properly.

SHRI S.D. SHARIQ: I congratulate the Government for bringing the Food Security Bill. It is a step for the welfare of the poor people. Parliament and everyone should make efforts to provide a dignified life to the poor people. Lakhs and crores of beggars, bonded labourers, women and sisters are forced to indulge in indecent practices and we should think about two square meals for them. I would like to say that the State Governments should be taken into confidence; monitoring system should be strengthened otherwise the Government will provide foodgrains and the middlemen as well as unscrupulous people will corner the share and the poor people will remain hungry. We should monitor the distribution system to plug the loopholes therein.

SHRI OM PRAKASH YADAV: This issue was an important part of the Election Manifesto of this Government. The promise made during the General Election in 2009 is being fulfilled in the year 2013. There are certain flaws in this Bill towards which I want to draw the attention of the Government and this House. This scheme is proposed to be implemented through Public Distribution System. But, the Public Distribution System in every state is not equally effective, particularly, there is gross corruption in Public Distribution System in Northern States of the country. It has not been made clear in the Bill itself that how this progressive scheme can be implemented through a corrupt system. It is imperative to strengthen the Public Distribution System in order to ensure the benefit of this scheme to the persons at the lowest level of the society. In the Section 8 of this Bill, there is a mention of Food Security Allowance but the amount of the allowance and time framed for

disbursement of it has not found any mention in the Bill. This allowance should have been linked with inflation. The onus of implementing of this scheme has been put on the State Government. The role of the Central Government in it is very limited. But the question arises whether the State governments have financial resources for discharging their responsibility satisfactorily in implementation of this scheme. The Food Security Bill 2013 is a revolutionary step for ensuring food security to the crores of the people of the country and certain shortcomings in it should be removed besides, ensuring its effective implementation as it will help in removing starvation and malnutrition from the country.

SHRI PRALHAND JOSHI: How the Government plans to identify beneficiaries of the program. The new Bill does not spell out the groups that qualify as beneficiaries or how the Government plans to identify them. Distributing grains through a state-run channel riddled with irregularities and corruption. Much of subsidized food, experts say, ends up being sold illegally in markets rather than in fair price shops. An adult person needs 2,500 calories per day as per National Institute of Nutrition recommendations, but your scheme proposes to give 165 grams per person per day. As per this calculation, one person should get 21 kg. of foodgrain, against which Centre plan to give only 7 kg. of foodgrains. Below poverty line families which get 35 kg. of foodgrains at present, would henceforth get only 25 kg. under the proposed bill. Implementation of the Bill may be affected if states do not pass requisite allocations in their budgets or do not possess adequate funds. The Bill does not provide a rational for the cut-off numbers prescribed for entitlements to priority and general households. In 2009, an expert group estimated that about 61 per cent of the eligible population was excluded from the BPL list while 25 per cent of non-poor households were included in the BPL list. Under the Bill, it is unclear how the problem of inclusion and exclusion errors will be addressed. There are two issues with regard to these entitlements. Bill does not provide a rational for prescribing specific cut-off numbers for the share of the population included in priority and general groups. Second, the minimum requirement of including 46 per cent of the rural population and 28 per cent of the urban population in the priority group implies that the Government will have no flexibility to revise this figure.

SHRI BHAUSAHEB RAJARAM WAKCHAURE: I rise to speak in favour of the National Food Security Bill. The Food Security Bill will cover up to 75 per cent of the rural population and up to 50 per cent of the urban population to give them uniform entitlement of rice, wheat and coarse grains at subsidized rate. Overall, it will make around 80 million of India's 1.2 billion population entitled to subsidized foodgrain under the Targeted Public Distribution System. The rollout of the food security programme will

also mean that the Government's Food Subsidy Bill will rise to Rs.1,24,724 crore. While the central subsidy will go up, it will benefit the states, such as Chhattisgarh, Odisha, Tamil Nadu, West Bengal, Andhra Pradesh, Madhya Pradesh. This is a legislation which gives a legal guarantee to the poor and food insecure population. A lot has to be done in the areas of strengthening the PDS, identifying the targeted population, creating sound system of warehousing and above all stamping out corruption at all levels. Special care has also to be taken building capacities and infrastructure, besides governance reforms. I commend the National Food Security Bill and urge all sections of the House to support this.

**KUMARI SAROJ PANDEY:** We support this Bill but with few amendments. We are discussing this issue in the House after a long period of Independence. In the year 2009, the then President while addressing the Joint Session had said that Food Security Bill would be brought why Government have made such inordinate bring this Bill. We doubt your intentions, it is clear you want political mileage out of it. I would like to mention about Chhattisgarh State where way back in the year 2007 Chief Minister Dr. Raman Singh started it honestly. In the year 2007 we started PDS model in Chhattisgarh. The Chhattisgarh PDS model is the best model in the country. On 14.09.2011 Supreme Court said that Chhattisgarh PDS model should be implemented throughout the country. Why the Chhattisgarh model is not being implemented as it is? The Centre did not provide the required foodgrains to Chhattisgarh State. Today, the House discussed the issue of farmers also as well as how we will arrange foodgrains for these long term schemes? Nothing has been mentioned about how much burden state shall have to bear and what would be system of storage and distribution of foodgrains. Under the Antyodaya Scheme we are providing salt along with 35 kg. foodgrains, 2 kg. grain, 2 kg. pulses. While as per the proposed Bill rice will cost Rs. 2 per kg. Wheat at Rs. 2 per kg. How can the problem of malnutrition be addressed with the help of rice, wheat and coarse grains under proposed Bill. In Chhattisgarh, we providing 15 kg. of foodgrains to APL families while in this Bill no such provision has been made. Under the Antyodaya Yojana a well defined classification of beneficiaries has been made as priority families and socially and economically backward families. Government's intention is not clear in the proposed Bill. Their intention is dubious. The Chhattisgarh model should be implemented throughout the country it will benefit the whole country.

**SHRI GHANSHYAM ANURAGI:** The Food Security Bill is delayed but in step in the right direction. All parties should work together to ensure the smooth passage of the Bill. What are the resources available with the Government for providing subsidy of about Rs. 6,000,000 crores within the period of three years? What is the basis of the data collected by the

Government regarding inclusion of 75 per cent population in rural areas and 50 per cent in urban areas? My suggestion is that every household should be provided foodgrains as per the present number of members in the family. What is the rationale behind implementation of this scheme for only three years. Providing required funds and foodgrains to the State Government seems to be a difficult task. What is the problem in implementing the scheme all over the country at one go? The scheme has been proposed to be implemented through Aadhar Cards but the process of issuance of Aadhar Cards has not yet been completed. The scheme should not be implemented in a hurry. Provisions to check the black-marketing of the foodgrains meant for the poor under the scheme should be made in the Bill. The Government should also consider the long lasting effects of the Bill. We must take care of the interests of the farmer, who is our food provider.

SHRI PREMDAS: There is a need of certain improvements in the Food Security Bill. The identification process of B.P.L. families may be reviewed and employment may be provided under this Act. The farmers should be given remunerative prices for their produce. There should be transparency in this Act. This scheme should be implemented effectively. More and more rural areas should be covered under this scheme. The distribution process should be made free from corruption. The number of families should be specified. A committee should be constituted at block level which will review the distribution process on monthly basis and lodge F.I.R. in case of irregularities, immediately.

SHRI NAVEEN JINDAL: I strongly support National Food Security Bill, 2013. There are three basic requirements of every person – food, clothing and housing. There is sufficient production of foodgrains in our country but it is a matter of sorrow that the problem of hunger and malnutrition still exists in our country. The 21st Article of the Constitution provides for Right to Protection of Life to the citizens of our country. I moved a private member Bill in Lok Sabha to remove hunger and malnutrition and it was supported by all members of this august House. Food Security Bill was referred to the Standing Committee and my several important suggestions like reforms in P.D.S., entitlement to special categories, requirement of impact assessment of the scheme etc. were included in the report. Under this Bill, pregnant women, children and disaster victims and other needy persons would be legally entitled to get nutritious and adequate food. After the implementation of this Bill, 75 per cent of rural population and 50 per cent urban population of the country and around 82 crore people would get foodgrains at subsidized rates. There is a provision of 5 kg. of foodgrains per person on monthly basis to priority household. Under this scheme, free of cost nutritional food would be provided through local Anganwadi Kendras to pregnant women and lactating

mothers for the period of 6 months after the child birth. Under this Act, children aged 6 months to 6 years would be provided food through Anganwadi Kendras and children in the 6 to 14 years age group would be provided midday meal. Under this Act, it is the responsibility of Union Government to allocate foodgrains to State Governments from Central pool. Under Section 8 of the Act, if any beneficiary is not provided the prescribed quantity of foodgrains, then he would be entitled to get food security allowance instead of foodgrains. The eldest woman of the family aged 18 years or above would be treated head of the family. The maternity benefit of Rs. 6000 proposed to be given to pregnant women should be disbursed in 6 equal monthly installments and this benefit should be started after third month of pregnancy. Besides, this maternity benefit should be given upto six months after delivery. I request that Swaminathan Committee recommendations should be implemented. The schemes like computerization of public distribution system, transparency of records, use of Aadhar cards, cash transfer, food coupon should be started. The problem of hunger is very complicated in India and there is a need to seek co-operation of the National Advisory Council, Planning Commission, some NGOs and other experts to understand and address this problem.

SHRI VINCENT H. PALA: With the National Food Security Ordinance, 2013, the very meaning of civilization has acquired a new dimension. Food, which is a fundamental need, became a statutory right from that day. Poverty has become a permanent resident of developing and underdevelopment societies where few live well, while those at the bottom barely survive. Nearly 800 million people suffer hunger on this Earth and half of them live in our country. The major cause of poverty and malnutrition is the State's inability to directly intervene in the imbalances in income and food distribution. After deploying various interventions, the ultimate weapon has now come in the form of the National Food Security Bill. Clause 13 of this Food Security Bill is the jewel in the crown under which women in every household in this country, will be empowered to be head of the family. I would like the Government to immediately appoint a National Review Commission on Liberalization to study the impact of market economy on poverty and underdevelopment. There are reports that poverty has increased since the 1990 in India. There is an urgent need to verify such reports for truth. I also wish to suggest to the Government to create an entirely New Ministry on Poverty and Underdevelopment. We must also ensure another legislation assuring minimum security of food, clothing, shelter and cultivable land to every person in the Naxal affected areas. We must constitute a Statutory Commission exclusively to address the issue of "what constitutes poverty". Besides this, there must also a Standing Committee on Parliament on Poverty and Underdevelopment.

SHRI YOGI ADITYA NATH: I have doubts about the intension of the Government. This Bill has been brought because elections are around the corner. Every year lacks of tonnes of foodgrains are damaged and eaten away by rats in godowns in absence of maintenance. The number of targeted people, under the scheme, has not been ascertained so far. Aadhar cards are not available till date. BPL lists have not been prepared in the country as on date. How the families will be identified? How the success of food security can be guaranteed unless the public distribution system is strengthened and their computerization is done? This Bill is against farmers. Whether the poverty of the country will be abolished in three years as proposed in this Food Security Bill?

SHRI JAGDAMBIKA PAL: I support this Bill. This covers the 10 per cent of entire population of the world. We are launching Zero Hunger Programme which envisages that nobody will die due to hunger. In election manifesto of 2009, promise was made for guarantee of meals to all people of the country. The Bill was to be bought in 2009 but was delayed till 2013. The reason is that Food Security Bill was discussed in National Advisory Council. We prepared its draft report. And then Food Security Bill was presented in the House on 22 December, 2011. The Bill was sent to Standing Committee on 5th January, 2012. Thereafter it was sent to States by Standing Committee. It was brought in House on 17th January, 2013 and was presented in the House on 22nd March, 2013. The Government had to pass an ordinance on 5th July, 2013. Issue of Bill of Chhattisgarh has been raised here and a mention has been made about Antyodaya Households there. We do not want to bring a Bill like that of Chhattisgarh. We want to give people wheat at Rs. 2/- per kg. and rice at the rate of Rs. 3/- per kg.

SHRI NILESH NARAYAN RANE: I rise to speak in favour of the National Food Security Bill. By ensuring the right to food, the Government has been able to meet the aspirations of millions of food insecure people of the country. Through this historic legislation, the Government has been able to positively respond to the call of the Supreme Court which has, the People's Union for Civil Liberty (PUCL) case, upheld the Right to Food as fundamental right of the people. The Food Security Bill will cover up to 75 per cent of the rural population and upto 50 per cent of the urban population to give them uniform entitlement of 5 kg. foodgrains per month at highly subsidized prices of Rs. 3/-, Rs. 2/-, Rs. 1/- per kg. for rice, wheat, coarse grains, respectively. Overall, it will make around 80 million of India's 1.2 billion population entitled to subsidized foodgrain under the Targeted Public Distribution System. Chapter V of the Bill, *vide* Clause 13 stipulates that in case of non-supply of the entitled quantities of foodgrains to the entitled persons, food security allowance will be paid to them. As a result,

the Government's food subsidy bill will rise to Rs.1,24,724 crore in a year. I know this is not going to be an easy task. A lot has to be done in the areas of strengthening the PDS, identifying the targeted population, creating sound system of warehousing and above all stamping and corruption at all levels. The Bill has provided six months window to the States for preparedness before it is implemented. The Bill does not impose or take away the State's right to have their own programme.

SHRI RATAN SINGH: Though the Food Security Bill 75 per cent of the rural population and upto 50 per cent of the urban population will get foodgrains at subsidized rate. As per Bill, 5 kg. foodgrains per month per person would be made available at subsidized rate to the 67 per cent of total 1.2 billion population of the country. Around Rs. 2 lakh 40 thousand crore would be needed to implement this legislation. The entitled person can go to the court in case of violation of these rights. Through this Bill, provision has been made to provide nutritional food assistance to pregnant women and lactating mother of the country. Children from 6 months to 6 years will get nutritional food assistance through Anganwadi and Children from 6 years to 14 years will get this through schools. In case of non supply of foodgrains under Food Security Act by the Government the entitled person will be get food security allowance. By the Bill, women empowerment will get promoted because women as Chief of the family will be given priority. In the Bill to address the grievance relating to the implementation of the law, there would be an internal grievances redressal mechanism and grievances redressal officer in each district. There is a provision in this Bill that there would be a State Food Security Commission for implementation and monitoring of this law in each district. The number of members of the Commission and description of their functions have been mentioned in the Bill. Alongwith this, review of works relating to food security will be made from time to time.

\*SHRI BALIRAM JADHAV: The opposition party has started to oppose each and every Bill for political mileage, and will not allow the passage of this Bill at any cost. A significant Bill like the Food Security Bill should not be opposed. Food Security Bill, the largest scheme in the world, would benefit 82 crore people. It will be a commendable achievement in our country's growth and will be an alternative food welfare scheme. To implement this scheme, Government has a large number of godowns and also food grain production capacity. We also have adequate monetary resources. We are already giving a subsidy of Rs. 90,000 crores for food grains and an additional burden of Rs. 23,000 crore can be accommodated easily. Food Security Bill would cover 67% population of the country and each household will be entitled to 35 kilos

<sup>\*</sup>Original in Marathi.

of foodgrains, wheat at the rate Rs. 2/- and rice at the rate of Rs. 3/- per kilo. Pregnant women would be given Rs. 6000 alongwith nutritious food. 6 to 14 year old children would get cooked food. States and Union Territories, would get special funds from the centre. It means that the States would not have to bear the burden of Food Security Bill. If the beneficiaries don't get the benefit of this scheme, they would be given allowance. Through this Bill, an effort has been made for the empowerment of women. The eldest woman in the family would be treated as the head of the family in the Ration Card.

SHRI CHARLES DIAS: The National Food Security Bill, 2013 definitely is a landmark legislation that ensures food to almost 65 per cent of the population in the country. The provision of 'Food Security Allowance' also is a facility that is brought into by considering the situation prevailing in the States. The Bill provides meal for pregnant women and lactating mothers and to the small children through Anganwadi is a historic move to ensure nutritional food to the growing children. The Bill also takes care of the position of women and ensures advantages of the legislation by making the eldest women of the family the head of the household. I wish to submit certain points to be considered seriously on the implementation of the Scheme. Until and unless we ensure the smooth implementation of the scheme without hurdles and delays, our cherished dream will not be materialized. The very success of this scheme depends upon the integrated efforts of the State and Central Government with very strong and farsighted strategies. Cash Transfer and issuing foodgrains coupons as an alternative to PDS is really a welcome move but it is a matter to be handled with maximum care. The necessary legislative reforms should be inevitable in States for effective implementation of this major scheme. A most important aspect of the Bill is that it addresses the malnutrition issues and the deplorable condition of pregnant women and lactating mothers and children, destitute and the families living in the streets. The Bill specifies that the Central Government, State Governments and local authorities shall strive to progressively realize the objectives specified in Schedule III. These include, among others, access to (a) safe and adequate drinking water and sanitation, (b) healthcare, (c) nutritional, health and educational support to adolescent girls, (d) adequate pensions for senior citizens persons with disability and single women.

SHRI MOHAMMED E.T. BASHEER: I whole heartedly congratulate the Hon'ble Minister Shri. K. V. Thomas and the Government for this bill. Hunger is the mother of all crime and it is the duty of those in power to eradicate poverty and see to it, that no one goes unfed. In many ways this Bill is carefully and wisely drafted taking the Indian realities in to proper consideration.

SHRIMATI JYOTI DHURVE: Supporting this Bill I would like to say that how far it is justified to cover only 50 per cent urban poor and very poor people under this Bill. How can we come to a conclusion that remaining 50 per cent are not poor? There are lapses in criteria of the Government with regard to poverty. There is a serious lapse in different norms adopted for the States. Maximum urban as well as rural population should have been covered under this Bill. The likely impact of implementation of this Bill on farmers should also be clarified and the Government should make it clear as to what steps it is going to take to protect the farmers as the farmers are already in pitiable condition. Estranged wives, disabled persons, poor farmers, poor unemployed, unemployed youth and women head of families should also be covered under the bill. There are many lapses in existing distribution system and if these are not removed it is likely to encourage corruption further. Apart from it, huge economic burden consequent upon implementation of this Bill may prove to be a disaster for our economy. Additional storage will be required for its implementation. There will be need for modernization of storage capacity of FCI/CWC. A special labour card, on the lines of MNREGA, should be introduced and distribution of foodgrains and disbursal of allowances should be made on the basis of said card so that any irregularity and corruption can be checked. The Central Government should not discriminate in providing PDS assistance to the States. Madhya Pradesh feels that existing PDS should continue and it should be run by DGRO officers of the state. Lapses in the present Bill should be remove and a comprehensive new Bill should be got passed as implementation of incomplete Bill brought in such a haste is not iustified.

\*SHRI PRASANTA KUMAR MAJUMDAR: National Food Security Bill 2013 is not for all the people of the country but only for targeted group. Though the issue of food distribution has been addressed, other issues like food production, procurement, storage etc. have not been mentioned at all. Agriculture is no longer profitable. In such circumstances, how can the Government help the farmers and how can it ensure that they will get remunerative prices for their produce? If the farmers do not profit, then farm production will decline. Resultantly we shall have to depend mostly on the multinational companies for food supply. It has not been mentioned that in what manner food grains will be procured. It has been said that the State Governments are to set up warehouses or godowns for storage of grains but no one knows, wherefrom the States will get the fund. This Bill also does not talk about the challenges of food security viz. rising unemployment, declining wages. Public Distribution System should be completely overhauled. Nutritious food has found no mention in this Bill.

<sup>\*</sup>Original in Bengali.

So pulses and edible oil should also be included in the scheme of things. This Bill says that if due to some reason, the Government fails to supply adequate food grains, then the beneficiaries will get pay packet. This may result in reduction in food supply. On the other hand, the poor people might use the money for purposes other than purchasing food items. Price of essential commodities will increase due to inflation. The State Governments and the Panchayats must be included and should be given more powers so that corruption can be stopped. Therefore a number of amendments are required to be incorporated to plug the loophole in this legislation if we really intend to realize the dream of food for all.

**DR. THOKCHOM MEINYA:** This Bill comes after a number of quite important Bills of UPA. To mention a few of them, they are MGNREGA, RTI, RTE and now Food Security Bill. The poor are now empowered. The marginalized are empowered. Every children get now food under MDM programme. Every mother and children upto 6 years are get nourished food under KDS programme. We are working for inclusive growth both for rural and urban India. The implementation of these schemes should be properly monitored.

SHRI ASADUDDIN OWAISI: 15 per cent quota should be given to the Muslim minorities because under the MNREGA only 2 per cent of Muslims have job cards. In Section 4, free meals should be provided during pregnancy and six months thereafter maternity benefit of not less than Rs. 6000 must be provided. Under Sections 5 and 6, nutritional support to children must be given. I would request the Government to earmark sufficient funds for this purpose because the State Governments have completely failed, especially in respect of MNREGA. As far as my State is concerned, the poverty estimates are 9.20 per cent. So, my request to the Government in respect to Andhra Pradesh is to implement the 75 per cent 50 per cent rural and urban criteria. If this is done, nearly 5.6 crore people will be covered in Andhra Pradesh.

**DR. TARUN MANDAL:** So much fanfare and drumbeating is going on about this Bill. It seems that after the passage of this Bill and Act, there would be no starvation, malnutrition, death, hunger in this country. It is deadly deceptive. It is mockery in the name of food security. I would like to say that this is an electoral game keeping in view Lok Sabha elections. It is not a matter of pride or any historic step. After 66 years of Independence, it is a shame for the country that we have to formulate such a Bill to give our people a square meal with dole or charity.

**SHRITHOLTHIRUMAAVALAVAN:** I appreciate the good intention of the Union Government to ensure food security to the poor people of our nation. But providing five kgs. of foodgrains per person per month will

not give food security. I request the Government to increase it to at least 10 kg. Identifying the beneficiaries is an important issue. Hence, I request the Government to scientifically determine the targeted beneficiaries. I sincerely request the Government not to play vote bank politics in this. Populist schemes will not help people. In Chapter 4 of this Bill, there is a provision for giving cash allowance when there is non-supply of the entitled food grains. I strongly object giving money or cash coupons in lieu of foodgrains. It would kill the very purpose of this scheme. In Tamil Nadu, the State Government is successfully implementing the free rice scheme. This Bill may become an obstacle to the Scheme. Hence, I would request the Central Government not to reduce the quota of food grains to Tamil Nadu. In Chapter 10, Section 31, in case of short supply of food grains the Central Government can give cash to the State Governments. It is not acceptable.

SHRI SANSUMA KHUGGUR BWISWMUTHIARY: I want to make a request to the Government. Per head 15 kg. rice should be allotted for all the tribals across the country. Another point is that until and unless the Government of India takes concrete policy decision to ensure production of food and quality, control the price rise and provide safe drinking water to all our people, we cannot ensure real food security to the people.

**SHRI VIRENDER KUMAR:** National Food Security Bill has been brought in quite late. There are so many discrepancies in it and until these discrepancies are removed, poor people are not likely to be benefited through it. Only foodgrains are not enough to satiate the hunger. It needs fats and spices to cook food. Nutrients are required to save the children from malnutrition. This thing has not been taken into account. Besides, thoughts have not been spared whether it will be beneficial or detrimental to the farmers. This scheme should be implemented after considering pros and cons of this Bill so that the poor are benefited through it.

SHRIMATI BOTCHA JHANSI LAKSHMI: One of the very important Bills of the UPA Government II is the National Food Security Bill. It is estimated that it would include 63.5 per cent of our population. The food requirement for implementation of this project is 81 million tonnes. It is aimed at providing highly subsidized rate of Rs. 3/- per kg. rice and Rs. 2/- per kg. wheat and Rs. 1/- per kg. millet and would cover 75% of rural population and 50% of urban population. In this Bill, poorest households would continue to receive 35 kilograms of grains per month under the 'Antyodaya Anna Yojana' at subsidized prices. Pregnant women and lactating mothers would receive maternity benefit of at least 6,000 rupees and children aged six months to 14 years would get take-home ration or hot cooked food. It guarantees 5 kg. of foodgrains per person per month,

while families hailing from the poorest of the poor would continue to get Rs. 35/- kg. of foodgrains per month. The Government has accepted over 55-56 amendments of the Parliamentary Standing Committee. The food subsidy is expected to be Rs. 1,24,747 crore at 2013-14 costs. Government should try to ensure that there is a very good working delivery system in place if it was to implement food security programme. A thorough and in depth discussion needs to be done with the States before its actual implementation. In my home State Andhra Pradesh Government introduced Scheme Amma Hastam for the people. I request our Government to give special reference to such scheme.

SHRIMATI JAYAPRADA: Food is a basic necessity for man along with clothes and housing. So many schemes have been launched for the poor but the poor have remained poor and the rich have got richer. As representatives of the people we have to ensure that the problems and views of people are properly highlighted and raised in the August House. I want to know how farmers are proposed to be provided security when procurement has not taken place and calamity such as flood or some other disaster has occurred. Consideration also needs to be given to find out ways to control the rampant corruption in implementation of the public distribution system.

SHRI C. RAJENDRAN: Normally, only in a rare and extra-ordinary circumstance, the Ordinance is promulgated. This Bill claims that it would provide food security to all citizens, but unfortunately, it is going to give food insecurity, because there are many flaws. They have created serious apprehensions and it raises the issue of food insecurity for a State like Tamil Nadu. Tamil Nadu has been very successful in implementing the Universal Public Distribution System for several decades. This Bill is going to create hardships to the people and going to affect the urban population, whereas Tamil Nadu Government's Universal PDS is covering the entire urban population. Due to this faulty allocation, Tamil Nadu is not going to receive the required quota for distribution under Universal PDS. This Bill would lead to a huge hike in subsidy bill and would again lead to higher taxes or higher debt or lower capital expenditure.

\*SHRI O.S. MANIAN: Many provisions of this Bill are impractical and not genuine as regards the people of Tamil Nadu. Hon. Chief Minister of Tamil Nadu has expressed the concerns of the people of Tamil Nadu. But the views expressed by Hon. Chief Minister of Tamil Nadu have not been taken into account by the Union Government. If the Bill is passed in its present

<sup>\*</sup>Original in Tamil.

form then there will be huge economic and food crises in the State of Tamil Nadu. Without affecting the existing PDS in the country, in order to provide foodgrains to all the people living in rural areas, through this Food Security Bill, Section 3 (2), 8, 10 and 23 of the Bill should be amended accordingly.

**SHRI KAMESHWAR BAITHA:** National Food Security Ordinance is really commendable. It has a provision of providing food at subsidized rates to the most poor people, women and children among the 70 per cent rural and 50 per cent urban population of the country. The Government has talked about food and nourishment. There is no proper godown facility for the same. The Government should ensure that there is no black-marketing through public distribution system. Despite my State being rich in mineral resources, the 80 per cent of the population live below the poverty line. In spite of this fact, the State has been allocated only sixteen lakh ninety six thousand tons of foodgrains which is not adequate.

SHRI AJAY KUMAR: An important Bill can become a bad law if it is poorly implemented. The number of reports have shown that 61% of people deserving to be in BPL List are not in the list. This is because of rampant corruption in identifying the BPL beneficiaries. Therefore, I suggest that all the beneficiaries list should be finalized only by the Gram Sabha in the rural areas and in the wards in the urban areas. The list of beneficiaries information should be available online. The Bill has limited the time period for providing free meals to destitute and starving people. I would request the Government not to set the time limit. My State Jharkhand and States in similar financial position do not have the resources to implement this Bill. In the Right to Education Act there was specific mention of financial aid/ grant in aid for poor States. This Bill is silent on this and I would request the Government to include this provision. The legendary corruption in the public distribution system is known to all of us. There is no mention in the Bill as to how the Government proposes to resolve this issue. In my constituency, the fair price shops run by small help group of women have been very successful. I would request the Government to consider in the next three years to make all FPS Shops to be run by self help group of women. It is critical that this programme be monitored effectively. So, I would request the Government to set up monitoring Committees at the block level, district level and State level and each of these monitoring committees must have the local people representatives. The Government should set up a Committee of experts to study the impact of this programme on farmers and suggest concrete remedial steps.

**SHRI SURESH ANGADI:** I support the Food Security Bill with the following amendments that it shall be a model of Chhattisgarh State PDS

System and this Bill shall guarantee the MSP for the farmer. As already the Constitution has guaranteed food for everybody but what is the necessity to bring another bill? This is done keeping an eye on the 2014 elections. By this Bill one Section of the people are going to get the full benefit but not all the Sections of people of Society whereas under the Constitution of India, every citizen is having the Right to Education.

SHRI RAKESH SACHAN: Assurance has been given to provide food to 67 per cent poor population out of 12.5 billion population of the country under the food security scheme, however, the delay caused by the Government in bringing this Bill from the year 2009 casts a doubt on the Government's intention. The Bill has been brought in a hurry and it appears to have an eye on the politics of vote more than ameliorating the condition of the country. Threadbare discussion has not been held on the Bill nor the imminent financial burden on the States has been discussed even with the respective Chief Ministers. I fear that the implementation of the Bill right upto the poor and the rural areas would also be very difficult. There is large scale corruption in public distribution system and gross irregularity in the list of BPL families which make me apprehensive about the Bill fulfilling its goals. On close scrutiny the Bill also appears to be impractical. 7 kg. foodgrains at subsidized rate per month for a family is very meager. The Bill appears to make political mileage more than providing bellyful meal to the rural people. Till the use of transparency, honesty, modern technology is ensured in the Public Distribution System, corruption will continue to grow. I would like that the increase in remunerative price the farmers' produce should commensurate to inflation. There should be appropriate reforms in the Public Distribution System so that benefits of the scheme percolate to the eligible beneficiaries. The persons living below poverty line should be identified so as to ensure the benefits of the scheme are extended to all the poor. Construction or godowns for storage and proper arrangement of sacks for storing foodgrains should be made well in advance. This Bill is a welfare provision and some or the other benefit will definitely accrue to the poor people.

**SHRI RAJENDRA AGRAWAL:** Nobody has the deference of opinion so far the National Food Security Bill is concerned. Whatever the apprehensions have been raised are not unfounded and it is mainly concerned with its implementation. The way this Government brought forward this bill and issued ordinance violating the constitutional propriety raises question on the intention of the Government. The farmers of our country put everything to grow crops but this Government did not taken care of the impact this bill likely to create on them. It is also a fact that distribution of foodgrains cannot be properly done in the absence of proper storage of foodgrains. Therefore,

it will have a cascading effect which will in turn affect the farmers as well as consumers. The hon'ble president of UPA has opined by rising above the party politics to pass this bill. But to achieve this objective it is necessary to assimilate the differences unanimously and to use better infrastructures. I have full faith that this Government will show the same commitment and will implement this historic bill in the same fashion.

**DR. PRASANNA KUMAR PATASANI:** Food Security Bill is very important Bill in nature pertaining to Indian culture and history. Food is our birth right and the origin of rice starts from Koraput in our State. Without nobody can survive. In this August House every Member of Parliament would be surprised to know that Biju Janta Dal announced in our language 'Nobody will die without food and no individual will lead a hungry life'. Given inadequate infrastructure, as well as corruption and leakage in the food distribution process, doubts about the quality of delivery of targeted recipients remains high.

SHRI ABDUL RAHMAN: The long waited announcement of Government of India has come true in the name of "National Food Security Bill-2013". This would provide highly subsidized food to about two-thirds of India's population. There should be an independent authority to maintain record of beneficiaries under the Food Security Bill. The Centre had failed to incorporate the suggestion from various political parties on inclusion of people from rural and poor backgrounds. In a recent survey, it was deduced that 22% of the Indian population is undernourished whereas 40% of children below the age of 3 years are underweight. In the current Indian scenario, Food Security Bill is a blessing for the Indian populace. With the implementation of the Food Security Bill, Indians can have a gleam of hope that their fight for "right to food" will possibly come to an end. With the introduction of this Bill, India can guarantee majority of its population quality foodgrains. This National Food Security Bill, 2013 is indeed the need of the hour and I do hereby support it.

**DR. ARVIND KUMAR SHARMA:** National Food Security Bill is a commendable step towards enhancing the nutrition level and life standard of the common man and the poor people and also in the direction of betterment of public health. Its main aim is to eradicate extreme poverty and starvation. Under this scheme every state has the responsibility to provide adequate food to each and every poor person at low cost. Under the NFS Bill, it is expected that all the State Governments should produce adequate foodgrains at national level to meet domestic demands and provide adequate food. The farmers should be provided good quality seeds, fertilizers at subsidized rates so that they are able to produce more and more foodgrains.

**PROF. K.V. THOMAS** replying said I wish to state that all constructive suggestions which have come from Members belonging to different sections of the House would be positively considered when we go ahead by implementing this important legislation. I wish to say that in our process of implementation of this important Bill, both the State Government and Central Government have to go hand-in-hand. Then only this will become a successful legislation. This Bill was sent to the Standing Committee. The recommendations of the Standing Committee were unanimous and we accepted all the recommendations. In the new Bill we are covering 67 per cent of the population of the country, that is, 82 crore people. Our burden has gone to about Rs.1,30,000 crore as well as we need 62 million tonnes of food grains. Now, some suggestions have come out. One is, can we have a universal system? We have gone deeply into this proposal. We looked at our production and procurement targets. We produce 32 to 33 percentage of what is produced in the country. So, we cannot go beyond that. We are all happy if we can provide food grains to everybody in the country. But, is it practical. Unfortunately PDS in the country is weak. I admit that. But is the last four years, we have made strenuous efforts with the State Governments. From 22 crore ration cards in the country at that time, now it has come to 16 crores. It is a commendable achievement; I congratulate the States. There was another problem which has been pointed out by many hon. Members that there are damages and leakages in the Central procurement system. I wish to point out that five years back our damages and losses during procurement were to the tune of 2 per cent which has now come down to 0.07 per cent. Some Members suggested whether we have enough storage capacity. Five years back, our storage capacity was to the tune of 55 million tonnes which at present has grown to 75 million tones. By 2014-15, we will have 85 million tonnes of storage capacity. Now, another suggestion, just made, is that 18 states including Tamil Nadu and Kerala, are not getting what they are getting under the TPDS system. Whatever is the off take of the last three years of all the States will be completely protected. If we look at the PDS system, the proposed Food Security Bill, all the State are getting more than their BPL and AAY quantity. When we protect that APL, that means every State is benefited. Another apprehension we had that whether the MSP will be protected and whether we will protect the farmers. I had answered in this House sometimes back that whatever food grains that come to the *mandis* will be taken over by FCI. Similarly, we are not going to freeze the MSP. Now, another doubt that has been raised is about cash transfer. We are interested only in procuring food grains and distributing them; nothing about cash transfer. Every State has got its own model but we cannot accept that as a whole. We have assessed the performance of the different PDS of all the States. When we go ahead with the implementation of the Scheme, there can be lacunae; there can be blocks and we will find out solutions. The success of this Food Security Bill, as I said at the beginning, depends on how the Central Government and the State Governments go hand in hand.

> The Resolution was negatived. The Bill, as amended, was passed.

# THE NATIONAL FOOD SECURITY BILL, 2013

(As passed by Lok Sabha on  $26^{\text{th}}$  August, 2013)

#### Bill No. 109-C of 2013

#### THE NATIONAL FOOD SECURITY BILL, 2013

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SCHEDULE I.

SCHEDULE II.

SCHEDULE III.

SCHEDULE IV.

#### Bill No. 109 C of 2013

## THE NATIONAL FOOD SECURITY BILL, 2013

Α

#### BILL

to provide for food and nutritional security in human life cycle approach, by ensuring access to adequate quantity of quality food at affordable prices to people to live a life with dignity and for matters connected therewith or incidental thereto.

BE it enacted by Parliament in the Sixty-second Year of the Republic of India as follows:-

#### CHAPTER I

#### **PRELIMINARY**

**1.** (1) This Act may be called the National Food Security Act, 2013.

Short title, extent and commencement

- (2) It extends to the whole of India.
- (3) Save as otherwise provided, it shall be deemed to have come into force on the 5th day of July, 2013.
- **2.** In this Act, unless the context otherwise requires,-
- (1) "anganwadi" means a child care and development centre set up under the Integrated Child Development Services Scheme of the Central Government to render services covered under section 4, clause (a) of sub-section (1) of section 5 and section 6;
- (2) "central pool" means the stock of foodgrains which is,-

Definitions.

- (*i*) procured by the Central Government and the State Governments through minimum support price operations;
- (ii) maintained for allocations under the Targeted Public Distribution System, other welfare schemes, including calamity relief and such other schemes;
- (iii) kept as reserves for schemes referred to in sub-clause (ii);
- (3) "eligible households" means households covered under the priority households and the Antyodaya Anna Yojana referred to in sub-section (1) of section 3;
- (4) "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;

10 of 1955

- (5) "foodgrains" means rice, wheat or coarse grains or any combination thereof conforming to such quality norms as may be determined, by order, by the Central Government from time to time;
- (6) "food security" means the supply of the entitled quantity of foodgrains and meal specified under Chapter II;
- (7) "food security allowance" means the amount of money to be paid by the concerned State Government to the entitled persons under section 8:
- (8) "local authority" includes Panchayat, municipality, district board, cantonment board, town planning authority and in the States of Assam, Manipur, Meghalaya, Mizoram, Nagaland and Tripura where Panchayats do not exist, the village council or committee or any other body, by whatever name called, which is authorised under the Constitution or any law for the time being in force for self-governance or any other authority or

body vested with the control and management of civic services, within a specified local area;

- (9) "meal" means hot cooked or pre-cooked and heated before its service meal or take home ration, as may be prescribed by the Central Government;
- (10) "minimum support price" means the assured price announced by the Central Government at which foodgrains are procured from farmers by the Central Government and the State Governments and their agencies, for the central pool;
- (11) "notification" means a notification issued under this Act and published in the Official Gazette;
- (12) "other welfare schemes" means such Government schemes, in addition to the Targeted Public Distribution System, under which foodgrains or meals are supplied as part of the schemes;
- (13) "person with disability" means a person defined as such in clause (t) of section 2 of the Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1995;

1 of 1996

- (14) "priority households" means households identified as such under section 10;
- (15) "prescribed" means prescribed by rules made under this Act;
- (16) "ration card" means a document issued under an order or authority of the State Government for the purchase of essential commodities from the fair price shops under the Targeted Public Distribution System;
- (17) "rural area" means any area in a State except those areas covered by any urban local body or a cantonment board established or constituted under any law for the time being in force;
- (18) "Schedule" means a Schedule appended to this Act;

(19) "senior citizen" means a person defined as such under clause (h) of section 2 of the Maintenance and Welfare of Parents and Senior Citizens Act, 2007;

56 of 2007

- (20) "social audit" means the process in which people collectively monitor and evaluate the planning and implementation of a programme or scheme;
- (21) "State Commission" means the State Food Commission constituted under section 16;
- (22) "State Government", in relation to a Union territory, means the Administrator thereof appointed under article 239 of the Constitution;
- (23) "Targeted Public Distribution System" means the system for distribution of essential commodities to the ration card holders through fair price shops;
- (24) "Vigilance Committee" means a committee constituted under section 29 to supervise the implementation of all schemes under this Act;
- (25) the words and expressions not defined here but defined in the Essential Commodities Act, 1955, or any other relevant Act shall have the meaning respectively assigned to them in those Acts.

10 of 1955

### CHAPTER II PROVISIONS FOR FOOD SECURITY

**3.** (1) Every person belonging to priority households, identified under sub-section (1) of section 10, shall be entitled to receive five kilograms of foodgrains per person per month at subsidised prices specified in Schedule I from the State Government under the Targeted Public Distribution System:

Provided that the households covered under Antyodaya Anna Yojana shall, to such extent as may be specified by the Central Government for each State in the said scheme, be entitled

Right to receive foodgrains at subsidised prices by persons belonging to eligible households under Targeted Public Distribution System. to thirty-five kilograms of foodgrains per household per month at the prices specified in Schedule I:

Provided further that if annual allocation of foodgrains to any State under the Act is less than the average annual offtake of foodgrains for last three years under normal Targeted Public Distribution System, the same shall be protected at prices as may be determined by the Central Government and the State shall be allocated foodgrains as specified in Schedule IV.

Explanation.- For the purpose of this section, the "Antyodaya Anna Yojana" means, the scheme by the said name launched by the Central Government on the 25th day of December, 2000; and as modified from time to time.

- (2) The entitlements of the persons belonging to the eligible households referred to in subsection (1) at subsidised prices shall extend up to seventy-five per cent. of the rural population and up to fifty per cents. of the urban population.
- (3) Subject to sub-section (1), the State Government may provide to the persons belonging to eligible households, wheat flour in lieu of the entitled quantity of foodgrains in accordance with such guidelines as may be specified by the Central Government.

Nutritional support to pregnant women and lactating mothers.

- **4.** Subject to such schemes as may be framed by the Central Government, every pregnant woman and lactating mother shall be entitled to—
- (a) meal, free of charge, during pregnancy and six months after the child birth, through the local anganwadi, so as to meet the nutritional standards specified in Schedule II; and
- (b) maternity benefit of not less than rupees six thousand, in such instalments as may be prescribed by the Central Government:

Provided that all pregnant women and lactating mothers in regular employment with the

Central Government or State Governments or Public Sector Undertakings or those who are in receipt of similar benefits under any law for the time being in force shall not be entitled to benefits specified in clause (b).

Nutritional support to children.

- **5.** (1) Subject to the provisions contained in clause (b), every child up to the age of fourteen years shall have the following entitlements for his nutritional needs, namely:—
  - (a) in the case of children in the age group of six months to six years, age appropriate meal, free of charge, through the local *anganwadi* so as to meet the nutritional standards specified in Schedule II:

Provided that for children below the age of six months, exclusive breast feeding shall be promoted;

- (b) in the case of children, up to class VIII or within the age group of six to fourteen years, whichever is applicable, one mid-day meal, free of charge, everyday, except on school holidays, in all schools run by local bodies, Government and Government aided schools, so as to meet the nutritional standards specified in Schedule II.
- (2) Every school, referred to in clause (b) of sub-section (1), and *anganwadi* shall have facilities for cooking meals, drinking water and sanitation:

Provided that in urban areas facilities of centralised kitchens for cooking meals may be used, wherever required, as per the guidelines issued by the Central Government.

Prevention and management of child malnutrition. **6.** The State Government shall, through the local *anganwadi*, identify and provide meals, free of charge, to children who suffer from malnutrition, so as to meet the nutritional standards specified in Schedule II.

7. The State Governments shall implement schemes covering entitlements under sections 4,5 and section 6 in accordance with the guidelines, including cost sharing, between the Central Government and the State Governments in such manner as may be prescribed by the Central Government.

Implementation of schemes for realisation of entitlements

#### CHAPTER III

FOOD SECURITY ALLOWANCE

**8.** In case of non-supply of the entitled quantities of foodgrains or meals to entitled persons under Chapter II, such persons shall be entitled to receive such food security allowance from the concerned State Government to be paid to each person, within such time and manner as may be prescribed by the Central Government.

Right to receive food security allowance in certain cases.

#### CHAPTER IV

IDENTIFICATION OF ELIGIBLE HOUSEHOLDS

9. The percentage coverage under the Targeted Public Distribution System in rural and urban areas for each State shall, subject to subsection (2) of section 3, be determined by the Central Government and the total number of persons to be covered in such rural and urban areas of the State shall be calculated on the basis of the population estimates as per the census of which the relevant figures have been published.

Coverage of population under Targeted Public Distribution System.

- **10.** (1) The State Government shall, within the number of persons determined under section 9 for the rural and urban areas, identify—
- Government to prepare guidelines and to identify priority households.

State

- (a) the households to be covered under the Antyodaya Anna Yojana to the extent specified under sub-section (1) of section 3, in accordance with the guidelines applicable to the said scheme;
- (b) the remaining households as priority households to be covered under the Targeted Public Distribution System, in accordance with such guidelines as the State Government may specify:

Provided that the State Government may, as soon as possible, but within such period not exceeding three hundred and sixty-five days, after the commencement of the Act, identify the eligible households in accordance with the guidelines framed under this sub-section:

Provided further that the State Government shall continue to receive the allocation of foodgrains from the Central Government under the existing Targeted Public Distribution System, till the identification of such households is complete.

- (2) The State Government shall update the list of eligible households, within the number of persons determined under section 9 for the rural and urban areas, in accordance with the guidelines framed under sub-section (1).
- 11. The State Government shall place the list of the identified eligible households in the public domain and display it prominently.

## CHAPTER V REFORMS IN TARGETED PUBLIC DISTRIBUTION SYSTEM

- 12. (1) The Central and State Governments shall endeavour to progressively undertake necessary reforms in the Targeted Public Distribution System in consonance with the role envisaged for them in this Act.
  - (2) The reforms shall, inter alia, include—
    - (a) doorstep delivery of foodgrains to the Targeted Public Distribution System outlets;
    - (b) application of information and communication technology tools including end-to-end computerisation in order to ensure transparent recording of transactions at all levels, and to prevent diversion;
    - (i) leveraging "aadhaar" for unique identification, with biometric information of entitled beneficiaries for proper targeting of benefits under this Act;

Publication and display of list of eligible households.

Reforms in Targeted Public Distribution System.

- (d) full transparency of records;
- (e) preference to public institutions or public bodies such as Panchayats, self help groups, co-operatives, in licensing of fair price shops and management of fair price shops by women or their collectives;
- (f) diversification of commodities distributed under the Public Distribution System over a period of time;
- (g) support to local public distribution models and grains banks;
- (h) introducing schemes, such as, cash transfer, food coupons, or other schemes, to the targeted beneficiaries in order to ensure their foodgrain entitlements specified in Chapter II, in such area and manner as may be prescribed by the Central Government.

#### CHAPTER VI

#### Women Empowerment

- 13. (1) The eldest woman who is not less than eighteen years of age, in every eligible household, shall be head of the household for the purpose of issue of ration cards.
- (2) Where a household at any time does not have a woman or a woman of eighteen years of age or above, but has a female member below the age of eighteen years, then, the eldest male member of the household shall be the head of the household for the purpose of issue of ration card and the female member, on attaining the age of eighteen years, shall become the head of the household for such ration cards in place of such male member.

Women of eighteen years of age or above to be head of household for purpose of issue of ration cards.

#### CHAPTER VII

#### GRIEVANCE REDRESSAL MECHANISM

14. Every State Government shall put in place an internal grievance redressal mechanism which may include call centres, help lines, designation of

Internal grievance redressal mechanism.

nodal officers, or such other mechanism as may be prescribed.

District Grievance Redressal Officer.

- 15. (1) The State Government shall appoint or designate, for each district, an officer to be the District Grievance Redressal Officer for expeditious and effective redressal of grievances of the aggrieved persons in matters relating to distribution of entitled foodgrains or meals under Chapter II, and to enforce the entitlements under this Act.
- (2) The qualifications for appointment as District Grievance Redressal Officer and its powers shall be such as may be prescribed by the State Government.
- (3) The method and terms and conditions of appointment of the District Grievance Redressal Officer shall be such as may be prescribed by the State Government.
- (4) The State Government shall provide for the salary and allowances of the District Grievance Redressal Officer and other staff and such other expenditure as may be considered necessary for their proper functioning.
- (5) The officer referred to in sub-section (1) shall hear complaints regarding non distribution of entitled foodgrains or meals, and matters relating thereto, and take necessary action for their redressal in such manner and within such time as may be prescribed by the State Government.
- (6) Any complainant or the officer or authority against whom any order has been passed by officer referred to in sub-section (1), who is not satisfied with the redressal of grievance may file an appeal against such order before the State Commission.
- (7) Every appeal under sub-section (6) shall be filed in such manner and within such time as may be prescribed by the State Government.
- **16.** (1) Every State Government shall, by notification, constitute a State Food Commission

State Food Commission.

for the purpose of monitoring and review of implementation of this Act.

- (2) The State Commission shall consist of—
  - (a) a Chairperson;
  - (b) five other Members; and
  - (i) a Member-Secretary, who shall be an officer of the State Government not below the rank of Joint Secretary to that Government:

Provided that there shall be at least two women, whether Chairperson, Member or Member-Secretary:

Provided further that there shall be one person belonging to the Scheduled Castes and one person belonging to the Scheduled Tribes, whether Chairperson, Member or Member-Secretary.

- (3) The Chairperson and other Members shall be appointed from amongst persons—
  - (a) who are or have been member of the All India Services or any other civil services of the Union or State or holding a civil post under the Union or State having knowledge and experience in matters relating to food security, policy making and administration in the field of agriculture, civil supplies, nutrition, health or any allied field; or
  - (b) of eminence in public life with wide knowledge and experience in agriculture, law, human rights, social service, management, nutrition, health, food policy or public administration; or
  - (c) who have a proven record of work relating to the improvement of the food and nutrition rights of the poor.
- (4) The Chairperson and every other Member shall hold office for a term not exceeding five years from the date on which he enters upon his office and shall be eligible for reappointment:

Provided that no person shall hold office as the Chairperson or other Member after he has attained the age of sixty-five years.

- (5) The method of appointment and other terms and conditions subject to which the Chairperson, other Members and Member-Secretary of the State Commission may be appointed, and time, place and procedure of meetings of the State Commission (including the quorum at such meetings) and its powers, shall be such as may be prescribed by the State Government.
- (6) The State Commission shall undertake the following functions, namely:—
  - (a) monitor and evaluate the implementation of this Act, in relation to the State;
  - (b) either suo motu or on receipt of complaint inquire into violations of entitlements provided under Chapter II;
  - (*i*) give advice to the State Government on effective implementation of this Act;
  - (d) give advice to the State Government, their agencies, autonomous bodies as well as non-governmental organisations involved in delivery of relevant services, for the effective implementation of food and nutrition related schemes, to enable individuals to fully access their entitlements specified in this Act;
  - (e) hear appeals against orders of the District Grievance Redressal Officer;
  - (f) prepare annual reports which shall be laid before the State Legislature by the State Government.
- (7) The State Government shall make available to the State Commission, such administrative and technical staff, as it may consider necessary for

proper functioning of the State Commission.

- (8) The method of appointment of the staff under sub-section (7), their salaries, allowances and conditions of service shall be such, as may be prescribed by the State Government.
- (9) The State Government may remove from office the Chairperson or any Member who—
  - (a) is, or at any time has been, adjudged as an insolvent; or
  - (b) has become physically or mentally incapable of acting as a member; or
  - (*c*) has been convicted of an offence which, in the opinion of the State Government, involves moral turpitude; or
  - (d) has acquired such financial or other interest as is likely to affect prejudicially his functions as a member; or
  - (e) has so abused his position as to render his continuation in office detrimental to the public interest.
- (10) No such Chairperson or Member shall be removed under clause (d) or clause (e) of subsection (9) unless he has been given a reasonable opportunity of being heard in the matter.
- 17. The State Government shall provide for salary and allowances of Chairperson, other Members, Member-Secretary, support staff, and other administrative expenses required for proper functioning of the State Commission.
- **18.** The State Government may, if considers it necessary, by notification, designate any statutory commission or a body to exercise the powers and perform the functions of the State Commission referred to in section 16.
- 19. Notwithstanding anything contained in sub-section (1) of section 16, two or more States may have a Joint State Food Commission for the purposes of this Act with the approval of the Central Government.

Salary and allowances of Chairperson, Member, Member-Secretary and other staff of State Commission.

Designation of any Commission or body to function as State Commission.

Joint State Food Commission. Powers relating to inquiries.

**20.** (1) The State Commission shall, while inquiring into any matter referred to in clauses (b) and (e) of sub-section (6) of section 16, have all the powers of a civil court while trying a suit under the Code of Civil Procedure, 1908, and, in particular, in respect of the following matters, namely:—

5 of 1908

- (a) summoning and enforcing the attendance of any person and examining him on oath:
- (b) discovery and production of any document;
  - (c) receiving evidence on affidavits;
- (d) requisitioning any public record or copy thereof from any court or office; and
- (e) issuing commissions for the examination of witnesses or documents.
- (2) The State Commission shall have the power to forward any case to a Magistrate having jurisdiction to try the same and the Magistrate to whom any such case is forwarded shall proceed to hear the complaint against the accused as if the case has been forwarded to him under section 346 of the Code of Criminal Procedure, 1973.

2 of 1974

- **21.** No act or proceeding of the State Commission shall be invalid merely by reason of—
  - (a) any vacancy in, or any defect in the constitution of, the State Commission; or
  - (b) any defect in the appointment of a person as the Chairperson or a Member of the State Commission; or
  - (c) any irregularity in the procedure of the State Commission not affecting the merits of the case.

#### CHAPTER VIII

OBLIGATIONS OF CENTRAL GOVERNMENT FOR FOOD SECURITY

Central Government

Vacancies, etc., not to

invalidate

of State Commission.

proceedings

**22.** (1) The Central Government shall, for ensuring the regular supply of foodgrains to

persons belonging to eligible households, allocate from the central pool the required quantity of foodgrains to the State Governments under the Targeted Public Distribution System, as per the entitlements under section 3 and at prices specified in Schedule I.

- to allocate required quantity of foodgrains from central pool to State Governments.
- (2) The Central Government shall allocate foodgrains in accordance with the number of persons belonging to the eligible households identified in each State under section 10.
- (3) The Central Government shall provide foodgrains in respect of entitlements under sections 4, 5 and section 6, to the State Governments, at prices specified for the persons belonging to eligible households in Schedule I.
- (4) Without prejudice to sub-section (1), the Central Government shall,—
  - (a) procure foodgrains for the central pool through its own agencies and the State Governments and their agencies;
    - (b) allocate foodgrains to the States;
  - (i) provide for transportation of foodgrains, as per allocation, to the depots designated by the Central Government in each State;
  - (d) provide assistance to the State Government in meeting the expenditure incurred by it towards intra-State movement, handling of foodgrains and margins paid to fair price shop dealers, in accordance with such norms and manner as may be prescribed by the Central Government; and
  - (e) create and maintain required modern and scientific storage facilities at various levels.
- **23.** In case of short supply of foodgrains from the central pool to a State, the Central Government shall provide funds to the extent of short supply to the State Government for meeting

Provisions for funds by Central Government to State Government in certain cases. obligations under Chapter II in such manner as may be prescribed by the Central Government.

#### CHAPTER IX

## OBLIGATIONS OF STATE GOVERNMENT FOR FOOD SECURITY

Implementation and monitoring of schemes for ensuring food security.

- **24.** (1) The State Government shall be responsible for implementation and monitoring of the schemes of various Ministries and Departments of the Central Government in accordance with guidelines issued by the Central Government for each scheme, and their own schemes, for ensuring food security to the targeted beneficiaries in their State.
- (2) Under the Targeted Public Distribution System, it shall be the duty of the State Government to—
  - (a) take delivery of foodgrains from the designated depots of the Central Government in the State, at the prices specified in Schedule I, organise intra-State allocations for delivery of the allocated foodgrains through their authorised agencies at the door-step of each fair price shop; and
  - (b) ensure actual delivery or supply of the foodgrains to the entitled persons at the prices specified in Schedule I.
- (3) For foodgrain requirements in respect of entitlements under sections 4, 5 and section 6, it shall be the responsibility of the State Government to take delivery of foodgrains from the designated depots of the Central Government in the State, at the prices specified in Schedule I for persons belonging to eligible households and ensure actual delivery of entitled benefits, as specified in the aforesaid sections.
- (4) In case of non-supply of the entitled quantities of foodgrains or meals to entitled persons under Chapter II, the State Government

shall be responsible for payment of food security allowance specified in section 8.

- (5) For efficient operations of the Targeted Public Distribution System, every State Government shall,—
  - (a) create and maintain scientific storage facilities at the State, District and Block levels, being sufficient to accommodate foodgrains required under the Targeted Public Distribution System and other food based welfare schemes;
  - (b) suitably strengthen capacities of their Food and Civil Supplies Corporations and other designated agencies;
  - (*i*) establish institutionalised licensing arrangements for fair price shops in accordance with the relevant provisions of the Public Distribution System (Control) Order, 2001 made under the Essential Commodities Act, 1955, as amended from time to time.

10 of 1955

#### CHAPTER X

#### OBLIGATIONS OF LOCAL AUTHORITIES

- **25.** (1) The local authorities shall be responsible for the proper implementation of this Act in their respective areas.
- (2) Without prejudice to sub-section (1), the State Government may assign, by notification, additional responsibilities for implementation of the Targeted Public Distribution System to the local authority.
- 26. In implementing different schemes of the Ministries and Departments of the Central Government and the State Governments, prepared to implement provisions of this Act, the local authorities shall be responsible for discharging such duties and responsibilities as may be assigned to them, by notification, by the respective State Governments.

Implementation of Targeted Public Distribution System by local authority in their areas.

Obligations of local authority.

#### CHAPTER XI

#### Transparency and Accountability

Disclosure of records of Targeted Public Distribution System.

Conduct of social audit.

- 27. All Targeted Public Distribution System related records shall be placed in the public domain and kept open for inspection to the public, in such manner as may be prescribed by the State Government.
- **28.** (1) Every local authority, or any other authority or body, as may be authorised by the State Government, shall conduct or cause to be conducted, periodic social audits on the functioning of fair price shops, Targeted Public Distribution System and other welfare schemes, and cause to publicise its findings and take necessary action, in such manner as may be prescribed by the State Government.
- (2) The Central Government may, if it considers necessary, conduct or cause to be conducted social audit through independent agencies having experience in conduct of such audits.

10 of 1955

Setting up of Vigilance Committees.

- 29. (1) For ensuring transparency and proper functioning of the Targeted Public Distribution System and accountability of the functionaries in such system, every State Government shall set up Vigilance Committees as specified in the Public Distribution System (Control) Order, 2001, made under the Essential Commodities Act, 1955, as amended from time to time, at the State, District, Block and fair price shop levels consisting of such persons, as may be prescribed by the State Government giving due representation to the local authorities, the Scheduled Castes, the Scheduled Tribes, women and destitute persons or persons with disability.
- (2) The Vigilance Committees shall perform the following functions, namely:—
  - (a) regularly supervise the implementation of all schemes under this Act;

- (b) inform the District Grievance Redressal Officer, in writing, of any violation of the provisions of this Act; and
- (i) inform the District Grievance Redressal Officer, in writing, of any malpractice or misappropriation of funds found by it.

#### CHAPTER XII

Provisions for Advancing Food Security

- **30.** The Central Government and the State Governments shall, while implementing the provisions of this Act and the schemes for meeting specified entitlements, give special focus to the needs of the vulnerable groups especially in remote areas and other areas which are difficult to access, hilly and tribal areas for ensuring their food security.
- Food security for people living in remote, hilly and tribal areas.
- **31.** The Central Government, the State Governments and local authorities shall, for the purpose of advancing food and nutritional security, strive to progressively realise the objectives specified in Schedule III.

Steps to further advance food and nutritional security.

### CHAPTER XIII MISCELLANEOUS

**32.** (1) The provisions of this Act shall not preclude the Central Government or the State Government from continuing or formulating other food based welfare schemes.

Other welfare schemes.

- (2) Notwithstanding anything contained in this Act, the State Government may, continue with or formulate food or nutrition based plans or schemes providing for benefits higher than the benefits provided under this Act, from its own resources.
- 33. Any public servant or authority found guilty, by the State Commission at the time of deciding any complaint or appeal, of failing to provide the relief recommended by the District Grievance Redressal Officer, without reasonable cause, or wilfully ignoring such recommendation,

Penalties.

shall be liable to penalty not exceeding five thousand rupees:

Provided that the public servant or the public authority, as the case may be, shall be given a reasonable opportunity of being heard before any penalty is imposed.

Power to adjudicate.

- **34.** (1) For the purpose of adjudging penalty under section 33, the State Commission shall authorise any of its member to be an adjudicating officer for holding an inquiry in the prescribed manner after giving any person concerned a reasonable opportunity of being heard for the purpose of imposing any penalty.
- (2) While holding an inquiry the adjudicating officer shall have power to summon and enforce the attendance of any person acquainted with the facts and circumstances of the case to give evidence or to produce any document which in the opinion of the adjudicating officer, may be useful for or relevant to the subject matter of the inquiry and if, on such inquiry, he is satisfied that the person has failed to provide the relief recommended by the District Grievance Redressal Officer, without reasonable cause, or wilfully ignored such recommendation, he may impose such penalty as he thinks fit in accordance with the provisions of section 33.

Power to delegate by Central Government and State Government.

- **35.** (1) The Central Government may, by notification, direct that the powers exercisable by it (except the power to make rules), in such circumstances and subject to such conditions and limitations, be exercisable also by the State Government or an officer subordinate to the Central Government or the State Government as it may specify in the notification.
- (2) The State Government may, by notification, direct that the powers exercisable by it (except the power to make rules), in such circumstances and subject to such conditions and limitations, be exercisable also by an officer subordinate to it as it may specify in the notification.

**36.** The provisions of this Act or the schemes made thereunder shall have effect notwithstanding anything inconsistent therewith contained in any other law for the time being in force or in any instrument having effect by virtue of such law.

Act to have overriding effect.

**37.** (1) If the Central Government is satisfied that it is necessary or expedient so to do, it may, by notification, amend Schedule I or Schedule II or Schedule III or Schedule IV and thereupon Schedule I or Schedule II or Schedule III or Schedule IV, as the case may be, shall be deemed to have been amended accordingly.

Power to amend Schedules.

(2) A copy of every notification issued under sub-section (1), shall be laid before each House of Parliament as soon as may be after it is issued.

Power of Central Government to give directions.

**38.** The Central Government may, from time to time, give such directions, as it may consider necessary, to the State Governments for the effective implementation of the provisions of this Act and the State Governments shall comply with such directions.

Power of Central Government to make rules.

- **39.** (1) The Central Government may, in consultation with the State Government and by notification make rules to carry out the provisions of this Act.
- (2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—
  - (a) scheme including cost sharing for providing maternity benefit to pregnant women and lactating mothers under clause (b) of section 4;
  - (b) schemes covering entitlements under sections 4, 5 and section 6 including cost sharing under section 7;
  - (i) amount, time and manner of payment of food security allowance to entitled individuals under section 8;
  - (d) introducing schemes of cash transfer, food coupons or other schemes

- to the targeted beneficiaries in order to ensure their foodgrains entitlements in such areas and manner under clause (b) of sub-section (2) of section 12;
- (e) the norms and manner of providing assistance to the State Governments in meeting expenditure under clause (d) of sub-section (4) of section 22;
- (f) manner in which funds shall be provided by the Central Government to the State Governments in case of short supply of foodgrains, under section 23;
- (g) any other matter which is to be, or may be, prescribed or in respect of which provision is to be made by the Central Government by rules.
- (3) Every rule made by the Central Government under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

Power of State Government to make rules.

- **40.** (1) The State Government may, by notification, and subject to the condition of previous publication, and consistent with this Act and the rules made by the Central Government, make rules to carry out the provisions of this Act.
- (2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—
  - (a) guidelines for identification of

- priority households under sub-section (1) of section 10;
- (b) internal grievance redressal mechanism under section 14;
- (i) qualifications for appointment as District Grievance Redressal Officer and its powers under sub-section (2) of section 15;
- (d) method and terms and conditions of appointment of the District Grievance Redressal Officer under sub-section (3) of section 15;
- (e) manner and time limit for hearing complaints by the District Grievance Redressal Officer and the filing of appeals under sub-sections (5) and (7) of section 15;
- (f) method of appointment and the terms and conditions of appointment of Chairperson, other Members and Member-Secretary of the State Commission, procedure for meetings of the Commission and its powers, under sub-section (5) of section 16;
- (g) method of appointment of staff of the State Commission, their salaries, allowances and conditions of service under sub-section (8) of section 16;
- (h) manner in which the Targeted Public Distribution System related records shall be placed in the public domain and kept open for inspection to public under section 27;
- (i) manner in which the social audit on the functioning of fair price shops, Targeted Public Distribution System and other welfare schemes shall be conducted under section 28;
- (*y*) composition of Vigilance Committees under sub-section (1) of section 29;

- (k) schemes or programmes of the Central Government or the State Governments for utilisation of institutional mechanism under section 43;
- (*l*) any other matter which is to be, or may be, prescribed or in respect of which provision is to be made by the State Government by rules.
- (3) Every rule, notification and guidelines made or issued by the State Government under this Act shall, as soon as may be after it is made or issued, be laid before each House of the State Legislature where there are two Houses, and where there is one House of the State Legislature, before that House.
- 41. The schemes, guidelines, orders and food standard, grievance redressal mechanism, vigilance committees, existing on the date of commencement of this Act, shall continue to be in force and operate till such schemes, guidelines, orders and food standard, grievance redressal mechanism, vigilance committees are specified or notified under this Act or the rules made thereunder:

Provided that anything done or any action taken under the said schemes, guidelines, orders and food standard, grievance redressal mechanism, or by vigilance committees shall be deemed to have been done or taken under the corresponding provisions of this Act and shall continue to be in force accordingly unless and until superseded by anything done or by any action taken under this Act.

Power to remove difficulties.

Transitory provisions for

schemes,

etc.

guidelines,

**42.** (1) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order, published in the Official Gazette, make such provisions, not inconsistent with the provisions of this Act, as appear to it to be necessary or expedient for removing the difficulty:

Provided that no order shall be made under this section after the expiry of two years from the date of commencement of this Act.

(2) Every order made under this section shall be laid, as soon as may be after it is made, before each House of Parliament.

43. The services of authorities to be appointed or constituted under sections 15 and 16 may be utilised in the implementation of other schemes or programmes of the Central Government or the State Governments, as may be prescribed by the State Government.

Utilisation of institutional mechanism for other purposes.

**44.** The Central Government, or as the case may be, the State Government, shall be liable for a claim by any person entitled under this Act, except in the case of war, flood, drought, fire, cyclone or earthquake affecting the regular supply of foodgrains or meals to such person under this Act:

Force Majeure.

Provided that the Central Government may, in consultation with the Planning Commission, declare whether or not any such situation affecting the regular supply of foodgrains or meals to such person has arisen or exists.

Repeal and savings.

Ord. 7 of 2013

- **45.** (1) The National Food Security Ordinance, 2013 is hereby repealed.
  - (2) Notwithstanding such repeal,—
    - (a) anything done, any action taken or any identification of eligible households made; or
    - (b) any right, entitlement, privilege, obligation or liability acquired, accrued or incurred; or
    - (i) any guidelines framed or directions issued; or
    - (d) any investigation, inquiry or any other legal proceeding initiated, conducted or continued in respect of such right, entitlement, privilege, obligation or liability as aforesaid; or
    - (e) any penalty imposed in respect of any offence, under the said Ordinance shall be deemed to have been done, taken, made, acquired, accrued, incurred, framed, issued, initiated, conducted, continued or imposed under the corresponding provisions of this Act.

#### SCHEDULE I

[See sections 3(1), 22(1), (3) and 24(2), (3)]

#### Subsidised Prices Under Targeted Public Distribution System

Eligible households shall be entitled to foodgrains under section 3 at the subsidised price not exceeding rupees 3 per kg. for rice, rupees 2 per kg. for wheat and rupee 1 per kg. for coarse grains for a period of three years from the date of commecement of this Act; and thereafter, at such price, as may be fixed by the Central Government, from time to time, not exceeding,—

- (i) the minimum support price for wheat and coarse grains; and
- (ii) the derived minimum support price for rice, as the case may be.

#### SCHEDULE II

[See sections 4(a), 5(1) and 6]

#### NUTRITIONAL STANDARDS

Nutritional standards: The nutritional standards for children in the age group of 6 months to 3 years, age group of 3 to 6 years and pregnant and lactating mothers required to be met by providing "Take Home Rations" or nutritious hot cooked meal in accordance with the Integrated Child Development Services Scheme and nutritional standards for children in lower and upper primary classes under the Mid Day Meal Scheme are as follows:

| Sl. No. | Category  | Type of meal <sup>2</sup>            | Calories<br>(Kcal) | Protein (g) |
|---------|---|--------------------------------------|--------------------|-------------|
| 1.      | Children (6 months to 3 years)                            | Take Home Ration                     | 500                | 12-15       |
| 2.      | Children (3 to 6 years)                                   | Morning Snack and<br>Hot Cooked Meal | 500                | 12-15       |
| 3.      | Children<br>(6 months to 6 years)<br>who are malnourished | Take Home Ration                     | 800                | 20-25       |
| 4.      | Lower primary classes                                     | Hot Cooked Meal                      | 450                | 12          |
| 5.      | Upper primary classes                                     | Hot Cooked Meal                      | 700                | 20          |
| 6.      | Pregnant women and Lactating mothers                      | Take Home Ration                     | 600                | 18-20       |

#### SCHEDULE III

[See section 31]

#### Provisions for Advancing Food Security

- (1) Revitalisation of Agriculture
  - (a) agrarian reforms through measures for securing interests of small and marginal farmers;
  - (b) increae in investments in agriculture, including research and development, extension services, micro and minor irrigation and power to increase productivity and production;
  - (c) ensuring livelihood security to farmers by way of remunerative prices, access to inputs, credit, irrigation, power, crop insurance, etc.;
  - (d) prohibiting unwarranted diversion of land and water from food production.
- (2) Procurement, Storage and Movement related interventions-
  - (a) incentivising decentralised procurement including procurement of coarse grains;
  - (b) geographical diversification of procurement operations;
  - (c) augmentation of adequate decentralised modern and scientific storage;
  - (d) giving top priority to movement of foodgrains and providing sufficient number of rakes for this purpose, including expanding the line capacity of railways to facilitate foodgrain movement from surplus to consuming regions.
- (3) Others: Access to
  - (a) safe and adequate drinking water and sanitation;
  - (b) health care;
  - (c) nutritional, health and education support to adolescent girls;
  - (d) adequate pensions for senior citizens, persons with disability and single women.

#### SCHEDULE IV

[See section 3(1)]

#### STATE-WSIE ALLOCATION OF FOODGRAINS

| Sl.No. | Name of the State           | Quantity        |
|--------|-----------------------------|-----------------|
|        | Andhra Pradesh              | (in lakh tones) |
| 1      |                             | 32.10           |
| 2      | Arunachal Pradesh           | 0.89            |
| 3      | Assam                       | 16.95           |
| 4      | Bihar                       | 55.27           |
| 5      | Chhattishgarh               | 12.91           |
| 6      | Delhi                       | 5.73            |
| 7      | Goa                         | 0.59            |
| 8      | Gujarat                     | 23.95           |
| 9      | Haryana                     | 7.95            |
| 10     | Himachal Pradesh            | 5.08            |
| 11     | Jammu and Kashmir           | 7.51            |
| 12     | Jharkhand                   | 16.96           |
| 13     | Karnataka                   | 25.56           |
| 14     | Kerala                      | 14.25           |
| 15     | Madhya Pradesh              | 34.68           |
| 16     | Maharashtra                 | 45.02           |
| 17     | Manipur                     | 1.51            |
| 18     | Meghalaya                   | 1.76            |
| 19     | Mizoram                     | 0.66            |
| 20     | Nagaland                    | 1.38            |
| 21     | Odisha                      | 21.09           |
| 22     | Punjab                      | 8.70            |
| 23     | Rajasthan                   | 27.92           |
| 24     | Sikkim                      | 0.44            |
| 25     | Tamilnadu                   | 36.78           |
| 26     | Tripura                     | 2.71            |
| 27     | Uttar Pradesh               | 96.15           |
| 28     | Uttarakhand                 | 5.03            |
| 29     | West Bengal                 | 38.49           |
| 30     | Andaman and Nicobar Islands | 0.16            |
| 31     | Chandigarh                  | 0.31            |
| 32     | Dadra and Nagar Haveli      | 0.15            |
| 33     | Daman and Diu               | 0.07            |
| 34     | Lakshadweep                 | 0.05            |
| 35     | Puducherry                  | 0.50            |
| ,      | Total:                      | 549.26          |

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Α

#### BILL

to provide for food and nutritional security in human life cycle approach, by ensuring access to adequate quantity of quality food at affordable prices to people to live a life with dignity and for matters connected therewith or incidental thereto.

(As passed by Lok Sabha)

# Synopsis of the Debate ON THE NATIONAL FOOD SECURITY BILL, 2013

(Date of discussion in Rajya Sabha -  $2^{ND}$  September, 2013)

#### SYNOPSIS OF DEBATE\*

#### I. STATUTORY RESOLUTION

# DISAPPROVAL OF THE NATIONAL FOOD SECURITY ORDINANCE (NO. 7 OF 2013)

# II. GOVERNMENT BILL THE NATIONAL FOOD SECURITY BILL, 2013 2 SEPTEMBER, 2013

LEADER OF THE OPPOSITION (SHRI ARUN JAITLEY), moving the Resolution, said: The ordinance brought in respect of the National Food Security Law was the misuse of the right to bring ordinance. My party fully support to grant the right to food security but the way it has been brought out and whatever inscribed in it require larger amendments. An ordinance is brought out only when the session of Parliament is a far and such a subject has appeared as can not wait for the session. What is to happen in these 30 days that we could not wait. Guidelines is yet to be framed and the priority list would be made for the household, which are to be granted foodgrains within a year as per the guidelines. It is after that the distribution takes place. The real application of the issuance of an ordinance is that some action must be initiated within 30 days. Has the guidelines been issued? Have the states been instructed to prepare the list of those households on priority basis? The constitution does allow it. There are at least 30 obligations and rights which belongs to State Governments. Even if the Central Government penetrating into States try to make direct distribution of it, it not possible. Now the Chief Minister of the States are making separate suggestions in respect of their states. The priority and requirement of a State is different from the legislation. A logic is being made that the existing schemes have only entitlement and not rights and it is after this that right would be granted. I went through the Bill and found that it would be much better if you had changed its name. You have only given a new shape to the existing schemes by transforming them.

How much amount has been allotted for the food schemes in the current budget? This Act is like a re-packaging of existing schemes. The language of the Act is flexible. How many people are covered under these exiting schemes? How many people are getting cheaper food grains in the existing schemes. You have not extended it to the poor but in fact, you have cut down the

<sup>\*</sup>This Synopsis is not an authoritative record of the proceedings of the Rajya Sabha. For the original debate refer

<sup>164.100.47.5/</sup>newsynopsis1/Englishsessionno/229/Synopsis\_E\_Dated 2-9-2013.pdf

number of people. There are States with existing schemes which are superior. You are providing only food grains while they are providing gram, iodized salt and sugar also. Those States who are better with this existing scheme should be allowed to continue. In spite of issuing ordinance, you should have waited for the Parliamentary Session. I consider this as the misuse of ordinance-issuing power.

SHRI M. VENKAIAH NAIDU: The BJP is for the food security of all the people of the country. For 67 years, you have totally neglected the common people and poor people. You never felt that there is any need to provide them food security. Suddenly, on the eve of elections, you realized that there is a need for food security. The Government is trying to get vote security in the name of food security. This is nothing but an electoral gimmick. The Government has betrayed the people on every count. Food security can be provided if there is satisfaction among the farmers of the country. How you are going to encourage the farmers to produce more? Unless you produce more, you cannot meet the requirement. The population is growing, the consumption levels are increasing but the production levels are not commensurate with the consumption levels. The agriculture is in dire crisis. People are waiting for the Government to take action on the Swaminathan Commission recommendations with regard to fixing the minimum support price. This Food Security Bill can be implemented if you produce 350 million tonnes extra. The Government has not outlined any steps in this Bill with regard to providing safety, security and incentive to the farming community. The number of cultivators has declined during the last decade from 127.3 million to 118.7 million. The prices of seeds are going up. The cost of cultivation is going up. All the agriculture input costs are going up. The cost of production per quintal of paddy is Rs. 1,355 whereas the Minimum Support Price fixed is Rs.1,080. How do you expect the farmer to produce more? The Government is not able to understand the seriousness of the situation at the grass-root level. Thousands of farmers are committing suicide. While giving incentives for the food security, they should have given some incentives for producing the food also. They should have taken some welfare measures for the farmers also. First of all, assure the House, assure the country about providing sustainability for the agriculture. The fear among the farming community is that tomorrow the State Governments, guided by the Central Government, may go for a levy on rice and the farmers will be forced to sell it to the Government agency first. They will not get remunerative prices from market. Procurement is a major challenge. Where is the infrastructure? Where are the godowns? We have failed in providing storage capacity. The real worry is how are you going to finance the scheme? Fiscal deficit is on the rise. Current Account Deficit is increasing. Your subsidy bill is increasing. Investments are

flowing out. Investors, both domestic and global, have lost confidence. Large-scale unemployment is looming large. The experts are warning that this Bill may play havoc with Government finances. In the next few years, growing subsidies could restrict employment opportunities including agricultural sector. The outgoing Governor of RBI said that the only solution to our rupee problem is to reduce Current Account Deficit (CAD). We have seen CAD to be well above the sustainable level for three years in a row. If the inflation goes up and the Government is not able to contain the prices and control inflation, then what will happen to the common people?

The fact is that there is problem of malnutrition in the country and without covering the aspect of the nutrition, how are you going to take care of those children? My point to you is, please don't attack the federal system of the country. Please allow the States to have their own schemes. If you want to supplement them, supplement those States' programmes fully. The Food Bill is not going to be such a good Bill. It is going to be a very heavy Bill. You are talking of so many things on the eve of the elections. Giving lollypops and making empty promises without proper allocation at the last moment is not going to serve the purpose. The concept of food security is nobody objecting. States of Chhattisgarh, Gujarat, Madhya Pradesh and other States are implementing it in a better manner.

SHRI NARENDRA BUDANIA: I support the National Food Security Bill, 2013. Right to life and right to equal opportunities have been mentioned as fundamental rights of the people in our constitution. When people will get food to fullest satisfaction then they will get right to life. This Bill has faced various difficulties. This Bill will benefit about 78 crores of people of the country. In the manifesto of 2009, Congress Party had assured that we will bring Food Security Bill if we will win General Election. The National Food Security Bill, was first introduced in December, 2011 and then referred to the Parliamentary Standing Committee. Efforts have been made to pass the Bill at that time but it could not be passed and Parliament got *sine die*. Later, the national food security ordinance was promulgated by the President.

Today, we are self-reliant in foodgrains production and even we are exporting agriculture produce. This Bill has been brought with the purpose of providing food to people to fullest satisfaction as a legal right. This Bill will provide food security cover to 75 per cent rural population and 50 per cent urban population. Every poor will get five kilograms of cereals under the Bill. There is also provision for providing cash allowance where it is not possible to provide foodgrains due to any reasons. Women empowerment has also been covered in the Bill. Under the women empowerment, Adult woman of family will be considered as the head of the family. Pregnant women,

lactating mothers and children have also been covered under the bill and these will be provided nutritional food. Malnutrition is the biggest problem of the country. 55 per cent children upto the three years of age are suffering from malnutrition. How will they move forward? Therefore, with the aim to fight with malnutrition, there is a provision to provide nutritional food to the children upto the age of 14 years. Some of my colleagues have expressed apprehensions regarding implementation of the Bill. I want to say that we have enough stock of foodgrains and due to good monsoon this year, we will have bumper production in agriculture. Therefore, demand of cereals can be met easily and we will be able to implement it properly.

This Bill will not cause loss to the farmers as it is having some special provisions for irrigation, research, extension services and development of agriculture. Farmers will be provided loan on lower rates and they will also be given appropriate MSP. It is necessary for us to make improvements in public distribution system and State Governments have to come forward to make reforms in the public distribution system and to stop the leakage from the PDS with the help of IT. There is also a provision for constitution of commission in States. Provisions for putting the records with regard to public distribution system in public domain and social audit have also been made. UPA Government of Centre has taken a historical decision for making food security a legal right and it is the duty of the State Governments to implement this food security. We should pass this bill unanimously.

**KM. MAYAWATI:** Most of the facilities which are talked in this Bill, are already being provided by the different departments to poor people and there is already a provision in the budget also for this. By adding some new schemes in the Bill, Government is trying to create an impression that they are going to spend huge amount on poor people of the country. Why this Bill has been bought now? Most of the policies of the Central and State Governments have been more in the interest of capitalists and less in the interest of poor. All the sections of the society are badly affected with the poverty but people of SCs, STs and OBCs are more affected by it. They are not getting the full benefit of their constitutional legal rights.

Every year a large number of these people are died due to starvation and malnutrition untimely. In some States of the country some poor people have forced to become naxalities or going on the wrong path. We want that the prices which are fixed for providing wheat, rice, and coarse grain at affordable prices under National Food Security Bill, the prices of these food items should be half for SCs, STs and OBCs. Some more facilities should also be given to these sections otherwise, they will remain behind in comparison

of others. Central Government have to take concrete steps in this direction at the earliest. Since independence many schemes have been formulated till now for poor and weaker sections but they are not getting even the 50 per cent benefit of these schemes. On one hand, large quantity of grain is rotten in the country and on the other hand, people are dying due to starvation. In this situation, Central Government should provide this grain to these starving people at the very lower price or free of cost.

Central Government has bought this Bill when Lok Sabha Election is going to be held. Salt, edible oil and pulses should also be included in the Bill. Quota of food items should also be increased for the rural poor people. Per person 5 kg. grain per month is not sufficient, it should be increased and the grain should be of good quality.

Special provision should be made by the Central Government at the warfooting level for the storage of food grain and rules should be strictly followed to implement this scheme. There is a need to establish a special monitoring and reviewing cell to look into the shortcomings to be found in this scheme, otherwise people will not get the benefit of this scheme. Entire expenditure of the food security scheme should be borne by the Central Government as the economic condition of most of the States is not good. Otherwise, this scheme is not going to be succeed in the States. Central and State Governments have to provide them stable employment to fulfil their daily needs.

Financial resources have not been clarified in the Bill to run this scheme. Value of rupee is decreasing day by day and is badly affecting our economy. If Central Government really wants to provide full benefit to the poor, weaker and backward sections of the country through this scheme then they have to consider all these things timely. I, on behalf of my party, support this incomplete National Food Security Bill in principle.

SHRI SITARAM YECHURY: Nutritional meal, adequate quantity of quality food at affordable prices to people to live a life with dignity are the objectives of this Bill. It has been said in the Bill that 67 per cent of the population will get this right. We urge the Government that an amendment should be made in the Bill and this right should be given to everyone. Per person 5 kg. grain per month is not sufficient. It should be atleast 7 kg. per person. You provide 35 kg. grain to every family. There is no dearth of money in the country but it is not being utilized properly. In many States, grain is distributed free of cost to the poor people and in many States it is provided at the rate of Rs. 1/- per kg. If you impose the restriction of Rs. 3/- per kg. through this Bill, it will led to hindrance in the work of the States. The price of grain should not be more than Rs. 2/- per kg.

On the name of fiscal deficit you have increased the oil prices. On one hand you are giving the food security and on the other you are taking away the rights of the poor by increasing prices. Do not give tax concessions to the rich people. I would urge upon the Government to bring a better Bill after accept these four amendments.

SHRI DEREK O' BRIEN: In principle, we agree with the concept of 'Food for All'. Clause 38 of this Bill basically says that for all issues of finance the Centre will give the States the directions and the States will have to comply with these directions. This makes the mockery of federalism. As per Section 23, when the Central Government cannot supply the grains to the State from the Central pool, the State has to buy the grains on their own. Here is the problem regarding reimbursement as the reimbursement will be made on the lower price. So, the State, in fact, will be losing money. On the points related to redressal mechanism State Food Commission, storage, transport and distribution, it is not very clear as to how much of the burden the State has to bear.

On the issue of execution I would like to point out that what is really happening is 60 per cent of those BPL houses covered under PDS will get less. Is this going to solve our problem of malnutrition? I would appeal to the Government to please delete Section 38 and if you do that we will support your Bill.

SHRI NARESH AGRAWAL: We want that before passing this Bill the Government should also keep in mind the repercussions and far-reaching consequences of it. It will badly affect our economy. The ex-Prime Minister Shri Rajiv Gandhi had said that the 85 per cent of all the schemes in the country is eaten up by the middle men. Hence, our concern is that the food grain provided through this Bill on cheaper rates will be black marketed and as a result the farmers will not get the market for their produce. To purchase all the produce of the farmers should be the constitutional responsibility of the Government. Our main concern is that as a result of this Bill the farmer of this country will turn into the labours.

This Scheme will be implemented by the states and you have not consulted any of the Chief Ministers. This Scheme would put extra financial burden on the states. So, you should make an announcement that this burden would be bear by the Centre. No supplementary budget has been brought for the remaining amount of 1 lakh 45 thousand crore rupees which is needed for this scheme. Your fiscal deficit is increasing day by day. These schemes would further increase the same. FCI has become the symbol of corruption. It has decreased the quantum of rice which it purchases from the mills as a result

these mills are on the verge of closure. In such a situation, where from you will get the rice required for this scheme? When FCI cannot purchase or store the food grains, how will it provide you the same?

On the one hand you are saying that India is going to be a world power and on the other you are showing that most of its population is not getting two square meals. You are just going to provide them with cereals, wheat and rice. What about the pulse? What about the balanced food? Till now every household is getting 35 kg. of grains but after the implementation of the new scheme it will get only 25 kg. For rest of the 10 kg. he will have to pay the higher prices. I would urge upon the Government to consider all the amendments given by us.

SHRI BASHISTHA NARAIN SINGH: I rise to support the Bill in terms of conception, principle and philosophy. But at the same time there are some concerns related to this Bill. The society of our country is divided into two classes. One which is getting the benefit of all the schemes and the other is the deprived class. The very basis of the thinking regarding the economy of the country needs to be changed. If our economic policy would have been based on the inclusive growth the need of such a scheme was not felt. Will you prepare the roadmap for agriculture and distribution? Without such a roadmap this scheme is not going to be a success.

Attention has been paid to our other concerns also. In the Bill States have been given the right to identify the beneficiaries under a special limit, on the basis of standards. The Central Government has agreed to assist the States. Our first concern is about the structure of the food commissions. I demand if the Government want to complete this project, it should bear the expenditure too. Implementation of the supply to each and every house is the responsibility of the States. Reform related to targeted public distribution system is an important part of the Bill. Various food grains should be provided for complete and balanced diet. There should be comprehensive study on the expenditure to be incurred on the implementation of the Food Security Bill and the Centre should bear the expenditure of the States. There are some concerns in the Bill apart of the several good things. This is the challenge for the Government and for this Country that purchasing power of the maximum poor population should go on increasing.

**SHRIMATI VANDANA CHAVAN:** We are proud of the fact that we are termed as a country on the march and are considered an important player on the global platform. On the other side it is unfortunate that a major chunk of our population still has to struggle for basic survival needs. Therefore, in passing of this Bill there is a special feeling, a deep sentiment

of contentment and fulfillment. It is our duty to ensure that the benefits reach the poor and weaker sections of our society and I feel in passing of this Bill we are precisely doing that.

Once this Bill becomes law, food security will not be a welfare measure but a right of almost 2/3rd citizens of India. India has, in 2012-13, exported agricultural produce worth Rs. 2.32 lakh crores. The farmer is the *Anna Data* for this programme's success. Topmost priority should be given to his concerns. Our farmers and visionary leaders have contributed a lot in bringing this Bill. Schedule III of this Bill is extremely welcome and crucial. It is extremely important to realize that through this legislation, we are taking care of only a part of the food basket, which itself undoubtedly is a major step. This is only the beginning of a stupendous task that we have in future. We will have to strive for more aggressive implementation of skill development and other such programmes. A massive education programme needs to take place as people need to know what nutrition really means.

I am sure if all of us resolve that we want to see a better world, a hungerfree world, a safe, secure and healthy world for our future generations, then, this is our best chance.

**SHRI H.K. DUA:** We are the world's largest skilled manpower. But if majority of the children who are malnourished in the world are Indians, then, there is something wrong with our priorities. The people do not have the purchasing power. The malnutrition is very widespread. You can be a power; but on hungry stomach, you cannot be a major power of 21st century. This Bill tries to fill that gap between promise and performance. This Bill provides cheap grain to the poor at a vast scale. That is why it is of historic importance. I think we should all support it. The poor of the country have the stake in democracy. And, if the State does not take care of the poorest. I am afraid, it will be an undemocratic State. In this Bill the head of the family will be the eldest woman of the family. If the democratic promise has to be fulfilled, you have to feed the families. How do you build a democratic, strong India of 21st century on the basis of hungry stomach or malnourished stomach? Our aim should be that entire India shines. This is only a beginning.

# THE NATIONAL FOOD SECURITY BILL, 2013-CONTD. (DATE OF DISCUSSION IN RAJYA SABHA ON 2<sup>ND</sup> SEPTEMBER, 2013)

DR. BHARATKUMAR RAUT: Today I want to raise issue of common man in this House. The Government should first make it clear whether we are poor or going to be super power? If you have brought Food Security Bill for these 70 crores people, who is responsible for this? You wish to say 'bring poverty', by brining this type of Bill. If you do not call yourself poor, you would not get this facility. Nothing has been included in this Bill from the report submitted by the Committee. This is disregard to the democracy of this Country. It should not be. If this Bill is to be brought it should be brought for the poor rather for the votes. It should have such provision that it should not need any amendment. I would like to ask as to what do we want to do for the country? Have you taken States into confidence? In Maharashtra the BPL list pertain to the year 1997. I think this Bill has been brought keeping eyes on the coming elections. I condemn this Bill. I would like to tell Government as to whatever politics of vote you want to do, do it outside but don't play with the poor.

SHRI BIRENDRA PRASAD BAISHYA: Successive Governments have totally failed to provide 'Roti, Kapada and Makaan.' It is nothing but a slogan in our country. Nobody can survive with only five kilogram of rice or wheat. I request that it should be increased up to 15 kilogram a month for an individual. I request the Government that it should also include daal, oil and salt along with rice in this Scheme. Try to improve the Public Distribution System first. Without improving the Public Distribution System and without sufficient storage capacity, you cannot implement this Scheme.

The role of the Food Corporation of India is very important, but there is a nexus between the Food Corporation of India and some illegal businessmen due to which the Food Corporation of India has totally collapsed in our country. I would urge upon the Minister that before implementing this Bill, try and look into these issues. There are certain basic problems being faced by the people of the North-eastern Region. Most of the fair price shops are smuggling goods into Bangladesh. Hence, it is not reaching to the poor people. I give some suggestions; improve the public distribution system, improve the FCI, take steps to stop smuggling, increase the quantum of food per person and provide sufficient amount of salt, oil and *daal* to the people. With 249 these modifications, I support the Bill.

**SHRI PRAKASH JAVADEKAR:** The Congress is responsible for perpetuating poverty. Destructive economic policy of Congress had made this country pathetic and this Bill is the certificate for that. You don't care for the

poor. If poverty has not been eliminated during this 66 years, responsibility goes to the Congress. At the one side, you are showing that MSP is increasing, while the other side the cost of production of crops is increasing. Four farmers have committed suicide even yesterday. What are the reason of these suicide? Since, cost of production of their crops is bigger than the MSP they receive, farmers are in debt. I demand that 'the cost of production plus fifty per cent' formula of the Swaminathan Commission must be implemented.

DR. BHALCHANDRA MUNGEKAR: Whatever economic growth has taken place in the country has benefited all sections of the society. But, due to the unequal social structure all sections of the society could not equitably share the benefits of economic growth. Right to food security is the most important new addition to agenda of right-based approach to development. It is accused that the Bill is politically motivated. All political parties, with some differences, have approved the Bill in Lok Sabha, then, why should there be criticism? The major reason for criticism is the fear in the minds of the Opposition Parties that this Bill gives political mileage to the Congress. Some critics are frightening by arguing that the additional cost of the Bill will be 1.25 lakh crore of rupees. I agree with that it will be approximately 1.2 per cent of the GDP and, if this PDS is properly restructured and improved, then, I think, the cost can be brought down to one per cent of the GDP.

The people who reaped the benefits of post-1991 economic reforms are opposing the Food Security Bill. It is the fact that nearly five to six crore poor unskilled rural households are annually getting 250 around 250 to 300 person days of employment under Mahatma Gandhi Employment Guarantee Scheme. I, therefore, strongly denounce such people's anti-poor stance and treaties unethical. If the Minimum Support Price mechanism is withdrawn, the farmer has to be the loser because of the imperfections of the market and the role of the middleman. The Food Security Bill will not distort the market prices. The ICICI, Lombard was given contract for implementing welfare schemes. The Government will protect the interests of the States. Food security will now be a justiciable right. The Bill provides for grievance redressal cell mechanism at the district and State level and the States will have flexibility. The Government will have to totally restructure the working of the PDS to reach the food security. Let this House also pass the Bill unanimously.

**DR. V. MAITREYAN:** I rise to oppose the National Food Security Bill, 2013 on behalf of my party. My Chief Minister has opposed the Bill many a time in the past and suggested several amendments. To protect the interest of Tamil Nadu, we oppose the National Food Security Bill, 2013. We will insist on amendments and demand division on each of them at the time of voting. Mr. Thomas had assured that it indeed would be the APL price of Rs. 8.30 per

kg. But you did not bring any amendment to this effect. The urban coverage by PDS at least to 75 per cent on a par with rural areas, has not been accepted. And that is why we oppose this Bill.

My Chief Minister had demanded an amendment to Schedule-I and guarantee subsidy for a period of at least ten years. You have ignored her request. The Chief Minister of Tamil Nadu had suggested that clause 23 should be amended. You have not acted upon that. Identification of eligible households should be completed in 365 days. Whether one year is enough, is not sure. You have not made any amendment to this. The AIADMK is firmly opposed to the direct cash transfer programme. Both clauses 37 and 38 strike at the very root of federalism. The Union Government should not encroach into the domain of the State Governments. Hence, we oppose this Bill.

SHRIMATI KANIMOZHI: In Tamil Nadu, PDS was started in 1964 and now the Universal PDS has been started, that is, there is no discrimination between APL and BPL families. This Universal PDS was brought by the DMK Government. In 1996, the Central Government tried to bring targeted PDS. The then Government in 1997 refused to give into it and we continued with the universal PDS. In 2003, the then AIADMK Government wanted to bring back targeted PDS, but they had to go back on its decision because there was a stiff opposition from all parties and the people in the State. These people today are talking about protecting the people. On 9th August, our President had written to the Central Government to make sure that the concerns being raised by us are respected and the Bill has appropriate provisions to protect the off-take of food grains. Only then we will support this Bill. There are a few concerns on the National Food Security Bill. The Government is only providing rice, wheat and coarse grains. Can the Government consider including pulses either now or in the future? The Government may consider providing assistance for modernizing fair price shops. Also, will the hon. Minister think of making sure that even homeless people are brought under this Bill? Hon. Minister should also explain as to what mechanism will be put in place to provide cooked meal to such a large number of pregnant and lactating mothers?

When the Centre is unable to arrange foodgrains, then, how will the States be able to do so? In Clause 38, the Central Government can give directions to the State Governments. Can the Central Government consider a better way of putting it? Concerns in this have to be taken into account.

SHRI SHASHI BHUSAN BEHERA: The National Food Security Bill, 2013 drawn by UPA-II gives an assurance to nation that 80 crores of people will be benefited and the per capita allocation will be 5 kgs. The

attitude of the ruling party is still unchanged and they have no concern for poverty, they have no concern for the hungry. You are intolerant towards the national economic crisis. How much excess money are you spending by making budgetary provision? It is completely an election gimmick. Without proper infrastructure and without any preparation for improvement of infrastructure you are brining this Bill in the election year. It is just eyewash. Food security requires huge preparation. You have not prepared for this. You are not prepared for de-centralized procurement or de-centralized storage which is very much required. It is all happening because of lack of storage facility. You are going in for distribution system which is not scientific and is not computerized. There are bogus Ration Cards even. I would like to know how you are planning for universalized distribution system. The BPL household is entitle 35 kg. ration per month as per the Central Government norms. Some States are capping the household allocation to 20-25 kgs like Andhra Pradesh and Tamil Nadu. For a wider coverage, we have to make it more households. This type of flexibility must be given to States. Therefore, my suggestion is that allocation should be made according to the population of the state. Its implementation should be decided by the State Governments. So, a clear and uniform system must be adopted otherwise this would create confusion. If you give 15 kg. of foodgrains to families with two or three members and some other families get about 20 kg. of foodgrains, this would lead to discrimination and PDS dealer would be benefitted out of this.

SHRI D. RAJA: My party has been fighting for a strong legislation on food security and the right to food. The Government's Bill falls short of many of our expectations and short in its vision also. It is just an extension of all the existing programmes, whereas we need the Government to re-imagine the entire food economy. In this Bill, agriculture and farmers have been neglected. The Bill must put in place a mechanism for procurement from all States in the country and directly from small and marginal farmers, ensuring they get remunerative prices. The existing Public Distribution System must be strengthened, streamlined and it should be made universal. There are States which have relatively better Public Distribution System. These existing systems should be protected. The Public Distribution System should be expanded to cover pulses and oil in order to strengthen the nutrition component of the Food Security. The children should be given a central place in the Bill on nutrition. You must take steps to contain the private contractors who are entering into the Mid-Day-Meal Scheme or ICD Scheme.

In many parts of the Bill, The Central Government has retained all powers of decision-making. This goes against the federal nature of our polity.

The State Governments must be consulted at every stage. This Bill should not place additional burden on the budgets of the State Governments.

**SHRI RANGASAYEE RAMAKRISHNA:** In my view it would be better to put the prescribed amount in the accounts of the beneficiaries and ask them to get to fend for themselves. But instead of that we continue with the existing system with all its infirmities. On this issue, where for everything you have to depend on the State Governments, you did not feel it necessary to consult the State Governments at all.

My suggestion would be that we should confine food security only to destitute, senior citizens, infants and expecting mothers. You can dismantle the entire leviathan of the FCI, the defective system of warehousing, the insufficient wagon space and all. But if you do not want to do it, then, the better way will be to empower panchayats.

Make food security the responsibility of the local *Panchayat*. The *Panchayat* can coordinate with religious institutions. We can leave buffer stocking of the grains to the *Panchayat*. We are adding to fiscal deficit by this Bill. I think it is a very highly ill-timed type of legislation which we should have avoided.

**PROF. ALKA BALRAM KSHATRIYA:** Our Party had promised to bring food security law. Today, I am happy that we are going to fulfil that promise. I support the Bill. Today, there are poor and hungry people in our country and we should think about them also. For this we have to mobilize resources. We have to do it. Farmers and Agriculture, both are main components of our Policies. This is a beginning. All of us should support the step being taken by this Government for the poor and middle class people of this country. I congratulate the farmers on behalf of the entire House. I would like to ask if Gujarat is developing, why the number of poor is increasing so heavily. We all should be proud of ourselves.

This Bill is not of limited scope. It consists of both BPL and APL. We must think over PDS i.e. fair price shops. People were claiming that this Bill will worsen the environment of the country. I would like to ask that if the Government provide subsidy to industries then you don't talk about this. But, if the Government is talking about providing two square meal to the poor, then you say that the financial condition of the country would deteriorate. I support this Bill.

**DR. T.N. SEEMA:** My party CPI (M) is supporter of Right to Food. Nobody in this House would oppose the concept of food security for all people in this country. However, a lot of reservation about this Bill remains. India contributes one-third of the hungry people to the global hungry

population. But unfortunately, these facts have little impact on our policy-makers and the Government. If we look at this Bill, this Bill is not meant for food security for all. That is my Party's main objection. This Bill can't address the larger issue of malnutrition and hunger in our country. Irrational exclusion of population will lead to food insecurity and not food security, and it will worsen the condition of the malnourished in our country. We demand a universal Public Distribution System. Our State Kerala had implemented a statutory rationing system to provide rice and other essential items to the people in 1964. It is a very successful experience. Tamil Nadu has unique Public Distribution System which is universal. The Government should not see PDS just as an outlet to distribute subsidised food to the poor. Through the PDS, the Government can intervene in the market.

Everybody knows that for giving nutritional security, distribution of only rice and wheat is not enough. I urge upon the Hon'ble Minister to delete the Schedule I. It is regarding fixing the price of foodgrains after three years. I wonder, what magic the UPA Government is going to play to solve the whole problem of hunger and malnutrition without substantially increasing the subsidy. The rich have become richer and the poor have become poorer because of the economic policies of the Government. So we have to change the policies.

SHRI RAM JETHMALANI: Prior to the Independence and after the Independence, poverty has been discussed in this country in the shape of 'gareebi hatao.' I certainly do not approve or even say a word in their praise whose heart started bleeding for the poor first time on the 13th of July, 2013. It is obvious that this is a piece of deception. It is an election stunt. Are you providing food security? This is not security really. What you are providing them, is a mean to avoid death and disease. This Bill should not be called the Food Security Bill. It is a Bill for the prevention of death and diseases as a result of lack of nutrition. That is the appropriate and honest description of this Bill. I don't wish to vote for this Bill because I don't wish to be a party to this grave deception on the poor people of this country who expect everything from us.

SHRI D. BANDYOPADHYAY: Given sufficient political will, it is possible to achieve the 'No Hunger Goal' within a reasonable time-frame in spite of all odds against it. With 1.2 billion population, nearly 11 crore Indians go hungry every night. The persistent hunger is not acceptable. It is an ugly blemish on any civilized society and so is on us. The usual criticism of PDS is that it does not function properly. States will have to bear additional load. Identification of eligible households is the basis for programme. We would like the Government to follow the second census. By assuring five kilograms of

cereals per person per month, the Bill assures semi-starvation diet. I strongly object to clause 38 of the Bill. I would say that the Centre should take the entire responsibility for this.

SHRI AMAR SINGH: I would rather appeal to you to appreciate showing your broadmindedness that the work, you have done in the State of Chhattisgarh, is being done by this Government and the UPA leadership in the whole country. There are a few people who are openly opposed to this Bill. Everyone wants this Bill to be passed. Everyone is bothered for the credit not to be grabbed by the people sitting that side and this is why unnecessary comments are being made. A big bang appeared that we have to do it whether resources are available or not. You say that it is not a Food Bill but a vote bill. What is the problem, even if it is a vote bill?

SHRI BHARATSINH PRABHATSINH PARMAR: Provision has been made in this Bill to provide 25 kg. of foodgrains to one BPL family. It means a person will get 165 gms. of foodgrains per day. We will have to think about to it. All the States of the country have not been consulted with regard to this Bill. We need to think about the manner in which it will be implemented. There should also be a provision to provide the foodgrains in the event of a natural calamity such as flood, earthquake etc.

SHRI MANI SHANKAR AIYAR: We have not at all taken into account what the Constitution says about the role of the Panchayats in the Public Distribution System. It is not at all clear from this Bill that when this Bill talks of local authority, whether it means some kind of bureaucratic system or whether it means the people of India. All over this country, wherever this PDS has functioned successfully, it is because the Panchayats have been given a role. The Civil Supplies Departments, all over the country, have become dens of corruption.

As soon as this Bill becomes an Act, you will have to produce the guidelines. You must recognise that however gargantuan the task. Everything that you have done is going to come to naught unless the Panchayats and the Municipalities are made responsible to the Gram Sabha because it is only the Gram Sabha or the Ward Sabha that the beneficiaries of this scheme can sit. The people of this country have been given this Constitutional Right by Rajiv Gandhi and today, we cannot pass this historic Bill without recognising those Constitutional Rights.

**SHRI PYARIMOHAN MOHAPATRA:** You are bringing this Bill four years later. Is it just an election gimmick or what? You must trust powerful States and not arrogate all the powers to the Centre. The best way is not to distribute anything free or anything subsidized. The best way is to give

employment, so that if I am a poor man, I earn and I have enough earning ability to feed my family.

You said that the present figure of 67 per cent is more than double the number of people living Below Poverty Line. How can you say that when, on the other hand, the Saxena Committee says that 84 per cent of the people are poor? Why do you play with statistics? There is extreme poverty. We must have sensitivity and compassion for our brethren who are poor. Only on that score, I support the Bill.

SHRI M. RAMA JOIS: I give my qualified support to this Bill. The objective of the Bill appears to be to provide relief against starvation and to wipe out the tears of those who are in distress. But, unfortunately, when you see the provisions of the Bill, the motive appears to be questionable. I have given amendment to Clause 8 which provides for cash transfer and also Clause 12 regarding Aadhar. The agricultural lands are excessively utilized for industries. That is why we are short of agricultural commodities. The Aadhar numbers are being issued not merely to the citizens but also to the non-citizens. They are also entitled to same amount of foodgrains. When the Standing Committee has rejected the Bill, if the ruling party has any iota of respect for Parliamentary democracy, they should have brought back the Bill before Rajya Sabha, and got its support.

SHRI VIJAY JAWAHARLAL DARDA: I rise to support the Bill. So far, India's image before the world has been presented as a starving and poor country. Now the poor people of the country will get the right of food security under legislation. Along with food, clothes and shelter health is equally important for the people. Something needs to be done in the country for their health as well. In this Bill we are talking about the food security but when a farmer is not going to produce the grains then how would you provide the same to the people? The farmers should be given the remunerative price of his produce. He is having a major contribution towards our economy.

SHRIMATI GUNDU SUDHARANI: Our party never opposed food security to poor; rather it is the TDP founder who had implemented Rs. 2 kg. rice for the poor in Andhra Pradesh. When the TDP implemented this in 1983, this very Congress Party opposed the decision. But, exactly after three decades, Congress opened the eyes, doing what we had done in 1983. Government is pushing this Bill without any guidelines to States or making any regulations and without taking views of Chief Ministers into consideration. There is a need to revamp, modernise and strengthen the PDS in the country. The Bill provides 5 kg. rice to poor. I request the hon. Minister to increase the foodgrains to, at least 10 kg.

SHRI JAI PRAKASH NARAYAN SINGH: Although the Food Security Bill may be a 'game changer' for the UPA Government, it may imperil the future of crores of farmers in the country. Only one or two political parties are serious on the concerns of farmers. Rest of the parties are not taking serious stand on the Food Security Bill. By bringing a Bill also on the hundred per cent procurement of crops of farmers in the House, Government should prove that it is concerned about farmers in the country. There should be a 15 days special debate, session to reflect on the plight of farmers in the country. I urge upon the Government to include in the Bill a provision of guaranteed procurement of total crops of farmers at a fair price.

**SHRI ANAND BHASKAR RAPOLU:** The need for food security comes from the prevalent food insecurity. Due to the scarcity of adequate quantity of quality food at affordable prices, there are price fluctuations and financial crisis, which lead to food insecurity, resulting in suffering from hunger and growing malnutrition.

With this Bill, we will not only achieve pubic health, but this will also reduce the burden on the Public Distribution System and the FCI and its food storage requirements. The Union Government, with this Bill is under obligation to ensure regular supply of foodgrains to the depots of the State Governments all across the nation.

A word of caution for the judicious functionality of these State Food Commissions is highly required. The State Food Commissions will ensure the provision of Right to Food to the needy. For the success of the Food Security Bill, we shall ensure proper functioning of markets and the trade system in the country. I request the hon. Minister at the occasion to have the proper mechanism to provide a ration card through Aadhar and other technological advancements as smoothly as getting enrolled as a voter.

SHRI RAM KRIPAL YADAV: I welcome and support the Food Security Bill, 2013. It is irony that inspite of our freedom of 65-66 years, people are dying of hunger. There is a lot of disparity between rich and poor. The disparity which is painful and horrifying, if not eliminated would definitely create instability in the country. I think 75 per cent of rural population and 50 per cent of urban population would be benefitted through this Bill. But it is a matter of concern that from where the foodgrain will be brought on whose basis we are deciding to provide rice, wheat and coarse grains to the 67 per cent of our population at the rate of Rs. 3/-, Rs. 2/-, and Re. 1/- kg. respectively. It is a matter of concern that trend towards cultivation has declined. The reasons are to be mooted. Cultivation has become a matter of loss. Poor farmers are not getting even the cost

of their investment in return. UPA Government during its first tenure had provided some relief to the farmers through waiving of Bank loans. It is also a matter of concern that we are again back to the same position. It is a historical step towards securing food for deprived class of the society and we all want to support the same but Government. should note the point that how we are going to provide foodgrains if there is no production.

Special measure should be taken for the flood and drought affected areas of the country specially Bihar. Bihar is the poorest State of the country having more number of BPL as per State Government report. Whereas as per the Central Government there are less number of BPL in Bihar. This disparity needs to be removed.

SHRI RAM VILAS PASWAN: I fully support food security Bill. It should have been brought long ago but due to various reasons, it was delayed and Government had to issue Ordinance. Now, it is in Rajya Sabha in a form of Bill. No one should be suppressed because "He that is down need fear no fall". This is the reason for naxalism also because they have been deprived of right to food. Right to food must be added in fundamental rights. UPA has done appreciable job like right to work, MSS No. 406 etc. which has resulted in checking exploitation of poors. Right to health, Right to education, Right to Information, Right to land and right to food are some of the appreciable work of UPA.

This 'Right to Food' is not a simple thing, it is rather a very big thing. From where money would come for this? It will come from the big capitalists on which more than 5 lakhs crores of rupees is outstanding as taxes. Recover this amount from them. One lakh 25 thousand crores rupees is required to implement it and some schemes have already been running. So, there is no paucity of money. Whether the subsidy to be given would be given by Government of India or not? The State Government is undecidedly going to be benefited here particularly Bihar. The Provision of 5 kg. foodgrains should be increased. Remove 75 per cent rich people out of them. All the poor people, irrespective of castes should be included, otherwise corruption will spread. We have to bring about transparency in this regard. How the irregularities being committed in Ration shops and by dealers would be checked. After passing of this Bill, there will be an aura of faith in the mind of the people throughout the country.

**SHRI RANBIR SINGH PRAJAPATI:** How will the people in villages and cities living above poverty line be benefited from it? What is criterion for it? If Government believes that there is still a need to provide foodgrains through this Bill to 75 per cent rural people, then who is responsible for

such a situation in the country? There is a need to provided employment and security to people. When people have employment, there will be food security by itself. Our farmers have had record productions of foodgrains with their hard-work. Due to wrong policies of Government, today farmer has to sleep without having any meal despite record production of foodgrains and is getting debt-ridden constantly. Today, there is a need to save farmers also. The Government should also think about it.

SHRI NARESH GUJRAL: A detailed analysis of this Bill clearly shows that this is nothing but a political gimmick, an attempt to hoodwink the poor people of this country, on whom a fraud is being perpetuated. Very very poor of this country will be hit very hard because till now they were getting 35 kg. of foodgrains per family. But now an average family of five would only get 25 kg. foodgrains. Already in States like Andhra Pradesh, Chhattisgarh, Madhya Pradesh and Punjab, there are schemes wherein they not only give cereals but also daal, chana, sugar etc. I wish the Government should have taken care of these things. A nation that cannot secure its existing foodgrains stocks can't promise food security. Today we have 20 million tonnes of foodgrains rotting in the open-in Punjab 12.50 million tonnes in Haryana 6 million tonnes and in Uttar Pradesh more than one lakh tonnes. Government have planned to add six million tonnes of foodgrains storage capacity in this year. What do you build in the first three months? If monsoons fail two or three years in a row, where will these foodgrains come from? We have to look at the supply side economics and also to ensure that our poor people would continue to get foodgrains. You have to ensure that the farmer gets a good price for his produce. Unless we make agriculture a viable business, this 262 country will not be able to guarantee food to its poor.

**DR. KARAN SINGH:** What the UPA has attempted to do in the last nine years is to put in place for the first time the elements of a social security net for one billion people. We started with the Right to Information Act and now we have come to the Food Security Act. Today we are growing enough for our nation. We are trying to ensure that this food really gets to every deserving person in the country at a reasonable price. Now this is being a legal right. It is a Right to Food. It will considerably improve nutritional value for millions of children. Without grain you cannot have any basic health. If the population continues to grow exponentially, then the pressure upon our foodgrains will naturally increase. It is pointed out that we are driving the country into bankruptcy. It is not true because this Bill is encompassing a large number of existing organizations and strengthening them.

I would like to make three points. The first is storage. Building storage facilities all over the country has to be the first priority both in the public sector and in the private sector. The second is transportation. We have to work out a scientific system of transportation by truck and by train. The final point is distribution. The Central Government and State Governments must ensure that the highly subsidized foodgrains reach the people they are meant for. Corruption must not be allowed to destroy this very great and historic programme.

THE LEADER OF THE OPPOSITION (SHRI ARUN JAITLEY), replying to the discussion on the Resolution, said: I had moved the Resolution opposing the use of the Ordinance path under article 123. We could have easily waited for a Session of Parliament, and during the Session of Parliament, we could have discussed, amended and altered the Bill. No guidelines have been framed and sent to States in order to take further steps in the matter. There is no effective implementation of the Bill. I had said that my party is in favour of the Right to Food. My party, supports the 263 concept of the Right to Food. We are not substantially increasing the outlay. We are not increasing the number of persons who are going to benefit from it as were benefitting from pre-existing schemes. We are reducing the quantum. We are not making the food more nutritious. It is only foodgrains and nothing else. I regret to say that it is a repackaging of all existing schemes and not an effective Right. I would, therefore, urge the hon. Minister to take all these factors into consideration and try to improve upon the Bill.

THE MINISTER OF STATE OF THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (PROF. K.V. THOMAS), replying to the Debate, said: I wish to bring to the notice of the House that all the constructive and positive suggestions will be carefully followed. The federal system of this country will be totally protected especially in the case of the food security. Both the Central Government and the State Governments have to go hand-in-hand not only in the Food Security Bill, but even in the Targeted Public Distribution System.

The model projects which all of us like to be implemented are not the projects which can be implemented throughout the country, because the character differs from State-to-State. The existing subsidy, as per the TPDS, to Chhattisgarh, is Rs. 2,027 crores from the Government of India and the subsidy now we have to incur-once we implement the National Food Security Order in Chhattisgarh — is Rs. 2,910 crores. We are giving foodgrains to Chhattisgarh to the tune of 11.33 lakh tones, but in the Food Security Bill, it

comes to 12.91 lakh tones. In the case of Tamil Nadu, the average off-take in the last three years has been to the tune of 36.78 lakh tonnes.

For APL, the price is linked to the MSP. When I give AAY under two rupees for rice and five rupees for BPL, my APL price is linked to the MSP. AAY and BPL together was round about Rs. 20 lakhs. Now, it has been enhanced to Rs. 24 lakhs under 'priority'. Under the APL, the quantity is not fixed. Because of the representation from 18 States which are getting less than what they are getting now, the hon. Prime Minister has taken a very bold decision to protect the quantity and the price for the next three years. This will have the additional burden of Rs. 5,000 crores. Because of the recommendations of many Chief Ministers, we decided in the Cabinet that the price of Rs. 8.30 per kilo for rice and Rs. 6.10 for wheat would be protected. We are not going to drop it. We have protected all the 18 States with more foodgrains and additional financial burden.

As regards universal rationing, except a few Chief Ministers, I met everybody personally and explained it. This Draft Bill was presented to the Lok Sabha in the end of December, 2011. It was sent to the Standing Committee. And, finally, the Standing Committee unanimously gave the recommendation, except only one amendment, *i.e.*, universal PDS.

After lengthy discussions, the Standing Committee in its wisdom has suggested that there can be only two categories, that is, 75 percentage of priority in the rural areas and 50 percentage of the priority in the urban areas. AAY sector is within PDS which is about two crores of families which are entitled to 35 Kg. The BPL, APL and AAY is decided by the Planning Commission. It is only 6.52 crores of BPL families, that is 32 crores of the people. From 32 crores it becomes 82 crores. We have also decided to merge together the various welfare schemes like the ICDS or the Mid-day Meal scheme to have nutritional component and that becomes a statute. Everybody in this country of 120 crores of the people, if it can provide with nutritional food, it is a good dream, but practically it is not possible. The pregnant women, the lactating women, the new born child, the child up to the eighth standard should be provided food as per Kilocalories.

The responsibility of the Central Government is to procure foodgrains, store it, transport it and make it available to the State Governments at the designated places. In 2010, our storage capacity was total 583.86 million tonnes which was raised to 751 million tonnes within last five years. We will build up another five million tonnes capacity before the end of next year. During the season, when the foodgrains come, we are bound to procure and protect the MSP. Last year, our procurement was to the tune of

82 million tonnes, whereas we need only 60 to 62 million tonnes. This year it has gone upto 73. We will protect the farmers. In the Bill, you will find that Schedule-3 clearly gives an indication that the revitalization of agriculture will be given foremost importance. The MSP will not be frozen. It is decided by the CACP. Our procurement is 30 per cent of what we produce in the country. With these words, I request the hon. Members to pass this Bill unanimously.

The Statutory Resolution was negatived. The motion for consideration of the Bill, was adopted. Clauses etc., were adopted. The Bill was passed.

# THE NATIONAL FOOD SECURITY ACT, 2013



#### असाधारण

#### **EXTRAORDINARY**

भाग II - खण्ड 1

PART II - Section 1

प्राधिकार से प्रकाशित

#### PUBLISHED BY AUTHORITY

सं० 29] नई दिल्ली, मंगलवार, सितम्बर 10, 2013/भाद्र 19, 1935 (शक) No. 29] NEW DELHI, TUESDAY, SEPTEMBER 10, 2013/BHADRA 19, 1935 (SAKA)

इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके। Separate paging is given to this Part in order that it may be filed as a separate compilation.

# MINISTRY OF LAW AND JUSTICE (Legislative Department)

New Delhi, the 10th September, 2013/Bhadra 19, 1935 (Saka)

The following Act of Parliament received the assent of the President on the 10th September, 2013, and is hereby published for general information:-

# THE NATIONAL FOOD SECURITY ACT, 2013 No. 20 of 2013

[10th September, 2013]

An Act to provide for food and nutritional security in human life cycle approach, by ensuring access to adequate quantity of quality food at affordable prices to people to live a life with dignity and for matters connected therewith or incidental thereto.

BE it enacted by Parliament in the Sixty-fourth Year of the Republic of India as follows:-

#### CHAPTER I

#### Preliminary

Short title, extent and commencement.

- **1.** (1) This Act may be called the National Food Security Act, 2013.
  - (2) It extends to the whole of India.
- (3) Save as otherwise provided, it shall be deemed to have come into force on the 5th day of July, 2013.

Definitions.

- **2.** In this Act, unless the context otherwise requires,-
- (1) "anganwadi" means a child care and development centre set up under the Integrated Child Development Services Scheme of the Central Government to render services covered under section 4, clause (a) of sub-section (1) of section 5 and section 6;
- (2) "central pool" means the stock of foodgrains which is,-
  - (i) procured by the Central Government and the State Governments through minimum support price operations;
  - (ii) maintained for allocations under the Targeted Public Distribution System, other welfare schemes, including calamity relief and such other schemes;
  - (iii) kept as reserves for schemes referred to in sub-clause (ii);
- (3) "eligible households" means households covered under the priority households and the Antyodaya Anna Yojana referred to in sub-section (1) of section 3;
- (4) "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;

10 of 1955

- (5) "foodgrains" means rice, wheat or coarse grains or any combination thereof conforming to such quality norms as may be determined, by order, by the Central Government from time to time;
- (6) "food security" means the supply of the entitled quantity of foodgrains and meal specified under Chapter II;
- (7) "food security allowance" means the amount of money to be paid by the concerned State Government to the entitled persons under section 8;
- (8) "local authority" includes Panchayat, municipality, district board, cantonment board, town planning authority and in the States of Assam, Manipur, Meghalaya, Mizoram, Nagaland and Tripura where Panchayats do not exist, the village council or committee or any other body, by whatever name called, which is authorised under the Constitution or any law for the time being in force for self-governance or any other authority or body vested with the control and management of civic services, within a specified local area;
- (9) "meal" means hot cooked or pre-cooked and heated before its service meal or take home ration, as may be prescribed by the Central Government;
- (10) "minimum support price" means the assured price announced by the Central Government at which foodgrains are procured from farmers by the Central Government and the State Governments and their agencies, for the central pool;
- (11) "notification" means a notification issued under this Act and published in the Official Gazette;
- (12) "other welfare schemes" means such Government schemes, in addition to the Targeted Public Distribution System, under which foodgrains or meals are supplied as part of the schemes;

(13) "person with disability" means a person defined as such in clause (t) of section 2 of the Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1995;

1 of 1996

- (14) "priority households" means households identified as such under section 10;
- (15) "prescribed" means prescribed by rules made under this Act;
- (16) "ration card" means a document issued under an order or authority of the State Government for the purchase of essential commodities from the fair price shops under the Targeted Public Distribution System;
- (17) "rural area" means any area in a State except those areas covered by any urban local body or a cantonment board established or constituted under any law for the time being in force;
- (18) "Schedule" means a Schedule appended to this Act;
- (19) "senior citizen" means a person defined as such under clause (b) of section 2 of the Maintenance and Welfare of Parents and Senior Citizens Act, 2007;

56 of 2007

- (20) "social audit" means the process in which people collectively monitor and evaluate the planning and implementation of a programme or scheme;
- (21) "State Commission" means the State Food Commission constituted under section 16;
- (22) "State Government", in relation to a Union territory, means the Administrator thereof appointed under article 239 of the Constitution;
- (23) "Targeted Public Distribution System" means the system for distribution of essential commodities to the ration card holders through fair price shops;
- (24) "Vigilance Committee" means a committee constituted under section 29 to

supervise the implementation of all schemes under this Act;

(25) the words and expressions not defined here but defined in the Essential Commodities Act, 1955, or any other relevant Act shall have the meaning respectively assigned to them in those Acts.

10 of 1955

CHAPTER II

#### Provisions for Food Security

**3.** (1) Every person belonging to priority households, identified under sub-section (1) of section 10, shall be entitled to receive five kilograms of foodgrains per person per month at subsidised prices specified in Schedule I from the State Government under the Targeted Public Distribution System:

Provided that the households covered under Antyodaya Anna Yojana shall, to such extent as may be specified by the Central Government for each State in the said scheme, be entitled to thirtyfive kilograms of foodgrains per household per month at the prices specified in Schedule I:

Provided further that if annual allocation of foodgrains to any State under the Act is less than the average annual offtake of foodgrains for last three years under normal Targeted Public Distribution System, the same shall be protected at prices as may be determined by the Central Government and the State shall be allocated foodgrains as specified in Schedule IV.

Explanation.- For the purpose of this section, the "Antyodaya Anna Yojana" means, the scheme by the said name launched by the Central Government on the 25th day of December, 2000; and as modified from time to time.

(2) The entitlements of the persons belonging to the eligible households referred to in sub-section (1) at subsidised prices shall extend

Right to receive foodgrains at subsidised prices by persons belonging to eligible households under Targeted Public Distribution System. up to seventy-five per cent of the rural population and up to fifty per cent of the urban population.

(3) Subject to sub-section (1), the State Government may provide to the persons belonging to eligible households, wheat flour in lieu of the entitled quantity of foodgrains in accordance with such guidelines as may be specified by the Central Government.

Nutritional support to pregnant women and lactating mothers.

- **4.** Subject to such schemes as may be framed by the Central Government, every pregnant woman and lactating mother shall be entitled to—
  - (a) meal, free of charge, during pregnancy and six months after the child birth, through the local *anganwadi*, so as to meet the nutritional standards specified in Schedule II; and
  - (b) maternity benefit of not less than rupees six thousand, in such instalments as may be prescribed by the Central Government:

Provided that all pregnant women and lactating mothers in regular employment with the Central Government or State Governments or Public Sector Undertakings or those who are in receipt of similar benefits under any law for the time being in force shall not be entitled to benefits specified in clause (b).

Nutritional support to children.

- 5. (1) Subject to the provisions contained in clause (b), every child up to the age of fourteen years shall have the following entitlements for his nutritional needs, namely:—
  - (a) in the case of children in the age group of six months to six years, age appropriate meal, free of charge, through the local *angamvadi* so as to meet the nutritional standards specified in Schedule II:

Provided that for children below the age of six months, exclusive breast feeding shall be promoted;

- (b) in the case of children, up to class VIII or within the age group of six to fourteen years, whichever is applicable, one mid-day meal, free of charge, everyday, except on school holidays, in all schools run by local bodies, Government and Government aided schools, so as to meet the nutritional standards specified in Schedule II.
- (2) Every school, referred to in clause (b) of sub-section (1), and anganwadi shall have facilities for cooking meals, drinking water and sanitation:

Provided that in urban areas facilities of centralised kitchens for cooking meals may be used, wherever required, as per the guidelines issued by the Central Government.

**6.** The State Government shall, through the local *anganwadi*, identify and provide meals, free of charge, to children who suffer from malnutrition, so as to meet the nutritional standards specified in Schedule II.

Prevention and management of child malnutrition.

7. The State Governments shall implement schemes covering entitlements under sections 4, 5 and section 6 in accordance with the guidelines, including cost sharing, between the Central Government and the State Governments in such manner as may be prescribed by the Central Government.

Implementation of schemes for realisation of entitlements.

#### CHAPTER III

#### FOOD SECURITY ALLOWANCE

**8.** In case of non-supply of the entitled quantities of foodgrains or meals to entitled persons under Chapter II, such persons shall be entitled to receive such food security allowance from the concerned State Government to be paid to each person, within such time and manner as may be prescribed by the Central Government.

Right to receive food security allowance in certain cases.

#### CHAPTER IV

#### IDENTIFICATION OF ELIGIBLE HOUSEHOLDS

Coverage of population under Targeted Public Distribution System.

State Government to prepare guidelines and to identify priority households.

- 9. The percentage coverage under the Targeted Public Distribution System in rural and urban areas for each State shall, subject to subsection (2) of section 3, be determined by the Central Government and the total number of persons to be covered in such rural and urban areas of the State shall be calculated on the basis of the population estimates as per the census of which the relevant figures have been published.
- **10.** (1) The State Government shall, within the number of persons determined under section 9 for the rural and urban areas, identify—
  - (a) the households to be covered under the Antyodaya Anna Yojana to the extent specified under sub-section (1) of section 3, in accordance with the guidelines applicable to the said scheme;
  - (b) the remaining households as priority households to be covered under the Targeted Public Distribution System, in accordance with such guidelines as the State Government may specify:

Provided that the State Government may, as soon as possible, but within such period not exceeding three hundred and sixty-five days, after the commencement of the Act, identify the eligible households in accordance with the guidelines framed under this subsection:

Provided further that the State Government shall continue to receive the allocation of foodgrains from the Central Government under the existing Targeted Public Distribution System, till the identification of such households is complete.

(2) The State Government shall update the list of eligible households, within the number of persons determined under section 9 for the rural

and urban areas, in accordance with the guidelines framed under sub-section (1).

11. The State Government shall place the list of the identified eligible households in the public domain and display it prominently.

Publication and display of list of eligible households.

#### CHAPTER V

# REFORMS IN TARGETED PUBLIC DISTRIBUTION SYSTEM

12. (1) The Central and State Governments shall endeavour to progressively undertake necessary reforms in the Targeted Public Distribution System in consonance with the role envisaged for them in this Act.

Reforms in Targeted Public Distribution System.

- (2) The reforms shall, inter-alia, include—
  - (a) doorstep delivery of foodgrains to the Targeted Public Distribution System outlets;
  - (b) application of information and communication technology tools including end-to-end computerisation in order to ensure transparent recording of transactions at all levels, and to prevent diversion;
  - (i) leveraging "aadhaar" for unique identification, with biometric information of entitled beneficiaries for proper targeting of benefits under this Act;
    - (d) full transparency of records;
  - (e) preference to public institutions or public bodies such as Panchayats, selfhelp groups, co-operatives, in licensing of fair price shops and management of fair price shops by women or their collectives;
  - (f) diversification of commodities distributed under the Public Distribution System over a period of time;

- (g) support to local public distribution models and grains banks;
- (b) introducing schemes, such as, cash transfer, food coupons, or other schemes, to the targeted beneficiaries in order to ensure their foodgrain entitlements specified in Chapter II, in such area and manner as may be prescribed by the Central Government.

# CHAPTER VI Women Empowerment

Women of eighteen years of age or above to be head of household for purpose of issue of ration cards.

- **13.** (1) The eldest woman who is not less than eighteen years of age, in every eligible household, shall be head of the household for the purpose of issue of ration cards.
- (2) Where a household at any time does not have a woman or a woman of eighteen years of age or above, but has a female member below the age of eighteen years, then, the eldest male member of the household shall be the head of the household for the purpose of issue of ration card and the female member, on attaining the age of eighteen years, shall become the head of the household for such ration cards in place of such male member.

## CHAPTER VII Grievance Redressal Mechanism

Internal grievance redressal mechanism.

14. Every State Government shall put in place an internal grievance redressal mechanism which may include call centres, help lines, designation of nodal officers, or such other mechanism as may be prescribed.

District Grievance Redressal Officer. 15. (1) The State Government shall appoint or designate, for each district, an officer to be the District Grievance Redressal Officer for expeditious and effective redressal of grievances of the aggrieved persons in matters relating to distribution of entitled foodgrains or meals under Chapter II, and to enforce the entitlements under this Act.

- (2) The qualifications for appointment as District Grievance Redressal Officer and its powers shall be such as may be prescribed by the State Government.
- (3) The method and terms and conditions of appointment of the District Grievance Redressal Officer shall be such as may be prescribed by the State Government.
- (4) The State Government shall provide for the salary and allowances of the District Grievance Redressal Officer and other staff and such other expenditure as may be considered necessary for their proper functioning.
- (5) The officer referred to in sub-section (1) shall hear complaints regarding non-distribution of entitled foodgrains or meals, and matters relating thereto, and take necessary action for their redressal in such manner and within such time as may be prescribed by the State Government.
- (6) Any complainant or the officer or authority against whom any order has been passed by officer referred to in sub-section (1), who is not satisfied with the redressal of grievance may file an appeal against such order before the State Commission.
- (7) Every appeal under sub-section (6) shall be filed in such manner and within such time as may be prescribed by the State Government.
- **16.** (1) Every State Government shall, by notification, constitute a State Food Commission for the purpose of monitoring and review of implementation of this Act.

State Food Commission.

- (2) The State Commission shall consist of—
  - (a) a Chairperson;
  - (b) five other Members; and
  - (c) a Member-Secretary, who shall be an officer of the State Government not below the rank of Joint Secretary to that Government:

Provided that there shall be at least two women, whether Chairperson, Member or Member-Secretary:

Provided further that there shall be one person belonging to the Scheduled Castes and one person belonging to the Scheduled Tribes, whether Chairperson, Member or Member-Secretary.

- (3) The Chairperson and other Members shall be appointed from amongst persons—
  - (a) who are or have been member of the All India Services or any other civil services of the Union or State or holding a civil post under the Union or State having knowledge and experience in matters relating to food security, policy making and administration in the field of agriculture, civil supplies, nutrition, health or any allied field; or
  - (b) of eminence in public life with wide knowledge and experience in agriculture, law, human rights, social service, management, nutrition, health, food policy or public administration; or
  - (c) who have a proven record of work relating to the improvement of the food and nutrition rights of the poor.
- (4) The Chairperson and every other Member shall hold office for a term not exceeding five years from the date on which he enters upon his office and shall be eligible for reappointment:

Provided that no person shall hold office as the Chairperson or other Member after he has attained the age of sixty-five years.

(5) The method of appointment and other terms and conditions subject to which the Chairperson, other Members and Member-Secretary of the State Commission may be appointed, and time, place and procedure of meetings of the State Commission (including the quorum at such meetings) and its powers,

shall be such as may be prescribed by the State Government.

- (6) The State Commission shall undertake the following functions, namely:—
  - (a) monitor and evaluate the implementation of this Act, in relation to the State;
  - (b) either suo motu or on receipt of complaint inquire into violations of entitlements provided under Chapter II;
  - (*c*) give advice to the State Government on effective implementation of this Act;
  - (d) give advice to the State Government, their agencies, autonomous bodies as well as non-governmental organisations involved in delivery of relevant services, for the effective implementation of food and nutrition related schemes, to enable individuals to fully access their entitlements specified in this Act;
  - (e) hear appeals against orders of the District Grievance Redressal Officer;
  - (f) prepare annual reports which shall be laid before the State Legislature by the State Government.
- (7) The State Government shall make available to the State Commission, such administrative and technical staff, as it may consider necessary for proper functioning of the State Commission.
- (8) The method of appointment of the staff under sub-section (7), their salaries, allowances and conditions of service shall be such, as may be prescribed by the State Government.
- (9) The State Government may remove from office the Chairperson or any Member who-
  - (a) is, or at any time has been, adjudged as an insolvent; or

- (b) has become physically or mentally incapable of acting as a member; or
- (c) has been convicted of an offence which, in the opinion of the State Government, involves moral turpitude; or
- (d) has acquired such financial or other interest as is likely to affect prejudicially his functions as a member; or
- (e) has so abused his position as to render his continuation in office detrimental to the public interest.
- (10) No such Chairperson or Member shall be removed under clause (d) or clause (e) of subsection (9) unless he has been given a reasonable opportunity of being heard in the matter.
- 17. The State Government shall provide for salary and allowances of Chairperson, other Members, Member-Secretary, support staff, and other administrative expenses required for proper functioning of the State Commission.
- **18.** The State Government may, if considers it necessary, by notification, designate any statutory commission or a body to exercise the powers and perform the functions of the State Commission referred to in section 16.
- **19.** Notwithstanding anything contained in sub-section (1) of section 16, two or more States may have a Joint State Food Commission for the purposes of this Act with the approval of the Central Government.
- **20.** (1) The State Commission shall, while inquiring into any matter referred to in clauses (b) and (e) of sub-section (6) of section 16, have all the powers of a civil court while trying a suit under the Code of Civil Procedure, 1908, and, in particular, in

5 of 1908.

Powers relating to inquiries.

Joint State Food

Commission.

respect of the following matters, namely: summoning and enforcing attendance of any person and examining him on oath;

Salary and allowances of Chairperson, Member, Member-Secretary and other staff of State Commission.

Designation of any Commission or body to function as State Commission.

- (b) discovery and production of any document;
  - (c) receiving evidence on affidavits;
- (d) requisitioning any public record or copy thereof from any court or office; and
- (e) issuing commissions for the examination of witnesses or documents.
- (2) The State Commission shall have the power to forward any case to a Magistrate having jurisdiction to try the same and the Magistrate to whom any such case is forwarded shall proceed to hear the complaint against the accused as if the case has been forwarded to him under section 346 of the Code of Criminal Procedure, 1973.

2 of 1974.

- **21.** No act or proceeding of the State Commission shall be invalid merely by reason of-
  - (a) any vacancy in, or any defect in the constitution of, the State Commission; or
  - (b) any defect in the appointment of a person as the Chairperson or a Member of the State Commission; or
  - (i) any irregularity in the procedure of the State Commission not affecting the merits of the case.

#### CHAPTER VIII

### OBLIGATIONS OF CENTRAL GOVERNMENT FOR FOOD SECURITY

- 22. (1) The Central Government shall, for ensuring the regular supply of foodgrains to persons belonging to eligible households, allocate from the central pool the required quantity of foodgrains to the State Governments under the Targeted Public Distribution System, as per the entitlements under section 3 and at prices specified in Schedule I.
- (2) The Central Government shall allocate foodgrains in accordance with the number of persons belonging to the eligible households identified in each State under section 10.

Vacancies, etc., not to invalidate proceedings of State Commission.

Central Government to allocate required quantity of foodgrains from central pool to State Governments.

- (3) The Central Government shall provide foodgrains in respect of entitlements under sections 4, 5 and section 6, to the State Governments, at prices specified for the persons belonging to eligible households in Schedule I.
- (4) Without prejudice to sub-section (1), the Central Government shall,—
  - (a) procure foodgrains for the central pool through its own agencies and the State Governments and their agencies;
    - (b) allocate foodgrains to the States;
  - (i) provide for transportation of foodgrains, as per allocation, to the depots designated by the Central Government in each State;
  - (d) provide assistance to the State Government in meeting the expenditure incurred by it towards intra-State movement, handling of foodgrains and margins paid to fair price shop dealers, in accordance with such norms and manner as may be prescribed by the Central Government; and
  - (e) create and maintain required modern and scientific storage facilities at various levels.
- 23. In case of short supply of foodgrains from the central pool to a State, the Central Government shall provide funds to the extent of short supply to the State Government for meeting obligations under Chapter II in such manner as may be prescribed by the Central Government.

Provisions for funds by Central Government to State Government in certain

#### CHAPTER IX

Obligations of State Government for Food Security

Implementation and monitoring of schemes for ensuring food security. **24.** (1) The State Government shall be responsible for implementation and monitoring of the schemes of various Ministries and Departments of the Central Government in accordance with

guidelines issued by the Central Government for each scheme, and their own schemes, for ensuring food security to the targeted beneficiaries in their State.

- (2) Under the Targeted Public Distribution System, it shall be the duty of the State Government to—
  - (a) take delivery of foodgrains from the designated depots of the Central Government in the State, at the prices specified in Schedule I, organise intra-State allocations for delivery of the allocated foodgrains through their authorised agencies at the door-step of each fair price shop; and
  - (b) ensure actual delivery or supply of the foodgrains to the entitled persons at the prices specified in Schedule I.
- (3) For foodgrain requirements in respect of entitlements under sections 4, 5 and section 6, it shall be the responsibility of the State Government to take delivery of foodgrains from the designated depots of the Central Government in the State, at the prices specified in Schedule I for persons belonging to eligible households and ensure actual delivery of entitled benefits, as specified in the aforesaid sections.
- (4) In case of non-supply of the entitled quantities of foodgrains or meals to entitled persons under Chapter II, the State Government shall be responsible for payment of food security allowance specified in section 8.
- (5) For efficient operations of the Targeted Public Distribution System, every State Government shall,—
  - (a) create and maintain scientific storage facilities at the State, District and Block levels, being sufficient to accommodate foodgrains required under the Targeted

Public Distribution System and other food based welfare schemes;

- (b) suitably strengthen capacities of their Food and Civil Supplies Corporations and other designated agencies;
- (c) establish institutionalised licensing arrangements for fair price shops in accordance with the relevant provisions of the Public Distribution System (Control) Order, 2001 made under the Essential Commodities Act, 1955, as amended from time to time.

10 of 1955

#### CHAPTER X

#### OBLIGATIONS OF LOCAL AUTHORITIES

Implementation of Targeted Public Distribution System by local authority in their areas.

- **25.** (1) The local authorities shall be responsible for the proper implementation of this Act in their respective areas.
- (2) Without prejudice to sub-section (1), the State Government may assign, by notification, additional responsibilities for implementation of the Targeted Public Distribution System to the local authority.
- Obligations of local authority.
- 26. In implementing different schemes of the Ministries and Departments of the Central Government and the State Governments, prepared to implement provisions of this Act, the local authorities shall be responsible for discharging such duties and responsibilities as may be assigned to them, by notification, by the respective State Governments.

#### CHAPTER XI

#### Transparency and Accountability

Disclosure of records of Targeted Public Distribution System.

Conduct of social audit.

- 27. All Targeted Public Distribution System related records shall be placed in the public domain and kept open for inspection to the public, in such manner as may be prescribed by the State Government.
- 28. (1) Every local authority, or any other authority or body, as may be authorised by the

Setting up of Vigilance

Committees

State Government, shall conduct or cause to be conducted, periodic social audits on the functioning of fair price shops, Targeted Public Distribution System and other welfare schemes, and cause to publicise its findings and take necessary action, in such manner as may be prescribed by the State Government.

- (2) The Central Government may, if it considers necessary, conduct or cause to be conducted social audit through independent agencies having experience in conduct of such audits.
- **29.** (1) For ensuring transparency and proper functioning of the Targeted Public Distribution System and accountability of the functionaries in Vigilance Committees as specified in the Public Distribution System (Control) Order, 2001, made under the Essential Commodities Act, 1955, as amended from time to time, at the State, District, Block and fair price shop levels consisting of such persons, as may be prescribed by the State Government giving due representation to the local authorities, the Scheduled Castes, the Scheduled Tribes, women and destitute persons or persons with disability.

such system, every State Government shall set up

10 of 1955

- (2) The Vigilance Committees shall perform the following functions, namely:—
  - (a) regularly supervise the implementation of all schemes under this Act;
  - (b) inform the District Grievance Redressal Officer, in writing, of any violation of the provisions of this Act; and
  - (c) inform the District Grievance Redressal Officer, in writing, of any malpractice or misappropriation of funds found by it.

#### CHAPTER XII

#### Provisions for Advancing Food Security

Food security for people living in remote, hilly and tribal areas. **30.** The Central Government and the State Governments shall, while implementing the provisions of this Act and the schemes for meeting specified entitlements, give special focus to the needs of the vulnerable groups especially in remote areas and other areas which are difficult to access, hilly and tribal areas for ensuring their food security.

Steps to further advance food and nutritional security. **31.** The Central Government, the State Governments and local authorities shall, for the purpose of advancing food and nutritional security, strive to progressively realise the objectives specified in Schedule III.

# CHAPTER XIII MISCELLANEOUS

Other welfare schemes.

- **32.** (1) The provisions of this Act shall not preclude the Central Government or the State Government from continuing or formulating other food based welfare schemes.
- (2) Notwithstanding anything contained in this Act, the State Government may, continue with or formulate food or nutrition based plans or schemes providing for benefits higher than the benefits provided under this Act, from its own resources.

Penalties.

**33.** Any public servant or authority found guilty, by the State Commission at the time of deciding any complaint or appeal, of failing to provide the relief recommended by the District Grievance Redressal Officer, without reasonable cause, or wilfully ignoring such recommendation, shall be liable to penalty not exceeding five thousand rupees:

Provided that the public servant or the public authority, as the case may be, shall be given a

reasonable opportunity of being heard before any penalty is imposed.

**34.** (1) For the purpose of adjudging penalty under section 33, the State Commission shall authorise any of its member to be an adjudicating officer for holding an inquiry in the prescribed manner after giving any person concerned a reasonable opportunity of being heard for the purpose of imposing any penalty.

Power to adjudicate.

- (2) While holding an inquiry the adjudicating officer shall have power to summon and enforce the attendance of any person acquainted with the facts and circumstances of the case to give evidence or to produce any document which in the opinion of the adjudicating officer, may be useful for or relevant to the subject matter of the inquiry and if, on such inquiry, he is satisfied that the person has failed to provide the relief recommended by the District Grievance Redressal Officer, without reasonable cause, or wilfully ignored such recommendation, he may impose such penalty as he thinks fit in accordance with the provisions of section 33.
- Power to delegate by Central Government and State Government.
- **35.** (1) The Central Government may, by notification, direct that the powers exercisable by it (except the power to make rules), in such circumstances and subject to such conditions and limitations, be exercisable also by the State Government or an officer subordinate to the Central Government or the State Government as it may specify in the notification.
- (2) The State Government may, by notification, direct that the powers exercisable by it (except the power to make rules), in such circumstances and subject to such conditions and limitations, be exercisable also by an officer subordinate to it as it may specify in the notification.
- **36.** The provisions of this Act or the schemes made thereunder shall have effect notwithstanding

Act to have overriding effect.

anything inconsistent therewith contained in any other law for the time being in force or in any instrument having effect by virtue of such law.

Power to amend Schedules.

Power of

Government

Central

to give

directions.

- **37.** (1) If the Central Government is satisfied that it is necessary or expedient so to do, it may, by notification, amend Schedule I or Schedule II or Schedule III or Schedule IV and thereupon Schedule I or Schedule II or Schedule III or Schedule IV, as the case may be, shall be deemed to have been amended accordingly.
- (2) A copy of every notification issued under sub-section (1), shall be laid before each House of Parliament as soon as may be after it is issued.
- **38.** The Central Government may, from time to time, give such directions, as it may consider necessary, to the State Governments for the effective implementation of the provisions of this Act and the State Governments shall comply with such directions.

Power of Central Government to make rules.

- **39.** (1) The Central Government may, in consultation with the State Governments and by notification, make rules to carry out the provisions of this Act.
- (2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—
  - (a) scheme including cost sharing for providing maternity benefit to pregnant women and lactating mothers under clause (b) of section 4;
  - (b) schemes covering entitlements under sections 4, 5 and section 6 including cost sharing under section 7;
  - (c) amount, time and manner of payment of food security allowance to entitled individuals under section 8;
  - (d) introducing schemes of cash transfer, food coupons or other schemes to the targeted beneficiaries in order to ensure their

- foodgrains entitlements in such areas and manner under clause (b) of sub-section (2) of section 12;
- (e) the norms and manner of providing assistance to the State Governments in meeting expenditure under clause (d) of subsection (4) of section 22;
- (f) manner in which funds shall be provided by the Central Government to the State Governments in case of short supply of foodgrains, under section 23;
- (g) any other matter which is to be, or may be, prescribed or in respect of which provision is to be made by the Central Government by rules.
- (3) Every rule made by the Government under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.
- **40.** (1) The State Government may, by notification, and subject to the condition of previous publication, and consistent with this Act and the rules made by the Central Government, make rules to carry out the provisions of this Act.
- (2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

Power of State Government to make rules.

- (a) guidelines for identification of priority households under sub-section (1) of section 10:
- (b) internal grievance redressal mechanism under section 14;
- (*i*) qualifications for appointment as District Grievance Redressal Officer and its powers under sub-section (2) of section 15;
- (d) method and terms and conditions of appointment of the District Grievance Redressal Officer under sub-section (3) of section 15:
- (e) manner and time limit for hearing complaints by the District Grievance Redressal Officer and the filing of appeals under sub-sections (5) and (7) of section 15;
- (f) method of appointment and the terms and conditions of appointment of Chairperson, other Members and Member-Secretary of the State Commission, procedure for meetings of the Commission and its powers, under sub-section (5) of section 16;
- (g) method of appointment of staff of the State Commission, their salaries, allowances and conditions of service under sub-section (8) of section 16;
- (b) manner in which the Targeted Public Distribution System related records shall be placed in the public domain and kept open for inspection to public under section 27;
- (i) manner in which the social audit on the functioning of fair price shops, Targeted Public Distribution System and other welfare schemes shall be conducted under section 28;
- (*y*) composition of Vigilance Committees under sub-section (*1*) of section 29;

- (k) schemes or programmes of the Central Government or the State Governments for utilisation of institutional mechanism under section 43;
- (*l*) any other matter which is to be, or may be, prescribed or in respect of which provision is to be made by the State Government by rules.
- (3) Every rule, notification and guidelines made or issued by the State Government under this Act shall, as soon as may be after it is made or issued, be laid before each House of the State Legislature where there are two Houses, and where there is one House of the State Legislature, before that House.
- 41. The schemes, guidelines, orders and food standard, grievance redressal mechanism, vigilance committees, existing on the date of commencement of this Act, shall continue to be in force and operate till such schemes, guidelines, orders and food standard, grievance redressal mechanism, vigilance committees are specified or notified under this Act or the rules made thereunder:

Transitory provisions for schemes, guidelines, etc.

Provided that anything done or any action taken under the said schemes, guidelines, orders and food standard, grievance redressal mechanism, or by vigilance committees shall be deemed to have been done or taken under the corresponding provisions of this Act and shall continue to be in force accordingly unless and until superseded by anything done or by any action taken under this Act.

**42.** (1) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order, published in the Official Gazette, make such provisions, not inconsistent with the provisions of this Act, as appear to it to be necessary or expedient for removing the difficulty:

Power to remove difficulties.

Provided that no order shall be made under this section after the expiry of two years from the date of commencement of this Act.

(2) Every order made under this section shall be laid, as soon as may be after it is made, before each House of Parliament.

Utilisation of institutional mechanism for other purposes.

43. The services of authorities to be appointed or constituted under sections 15 and 16 may be utilised in the implementation of other schemes or programmes of the Central Government or the State Governments, as may be prescribed by the State Government.

Force Majeure. 44. The Central Government, or as the case may be, the State Government, shall be liable for a claim by any person entitled under this Act, except in the case of war, flood, drought, fire, cyclone or earthquake affecting the regular supply of foodgrains or meals to such person under this Act:

Provided that the Central Government may, in consultation with the Planning Commission, declare whether or not any such situation affecting the regular supply of foodgrains or meals to such person has arisen or exists.

Repeal and savings.

**45.** (1) The National Food Security Ordinance, 2013 is hereby repealed.

Ord. 7 of 2013

- (2) Notwithstanding such repeal,—
- (a) anything done, any action taken or any identification of eligible households made; or
- (b) any right, entitlement, privilege, obligation or liability acquired, accrued or incurred; or
- (c) any guidelines framed or directions issued: or
- (d) any investigation, inquiry or any other legal proceeding initiated, conducted or continued in respect of such right,

entitlement, privilege, obligation or liability as aforesaid; or

(e) any penalty imposed in respect of any offence, under the said Ordinance shall be deemed to have been done, taken, made, acquired, accrued, incurred, framed, issued, initiated, conducted, continued or imposed under the corresponding provisions of this Act.

#### SCHEDULE I

[See sections 3(1), 22(1), (3) and 24(2), (3)]

#### Subsidised prices under Targeted Public Distribution System

Eligible households shall be entitled to foodgrains under section 3 at the subsidised price not exceeding rupees 3 per kg. for rice, rupees 2 per kg. for wheat and rupee 1 per kg. for coarse grains for a period of three years from the date of commecement of this Act; and thereafter, at such price, as may be fixed by the Central Government, from time to time, not exceeding,—

- (i) the minimum support price for wheat and coarse grains; and
- (ii) the derived minimum support price for rice, as the case may be.

## **SCHEDULE II**

[See sections 4(a), 5(1) and 6]

#### NUTRITIONAL STANDARDS

Nutritional standards: The nutritional standards for children in the age group of 6 months to 3 years, age group of 3 to 6 years and pregnant women and lactating mothers required to be met by providing "Take Home Rations" or nutritious hot cooked meal in accordance with the Integrated Child Development Services Scheme and nutritional standards for children in lower and upper primary classes under the Mid Day Meal Scheme are as follows:

| Sl.No. | Category  | Type of meal <sup>2</sup>            | Calories<br>(Kcal) | Protein (g) |
|--------|---|--------------------------------------|--------------------|-------------|
| 1.     | Children (6 months to 3 years)                            | Take Home Ration                     | 500                | 12-15       |
| 2.     | Children (3 to 6 years)                                   | Morning Snack and<br>Hot Cooked Meal | 500                | 12-15       |
| 3.     | Children<br>(6 months to 6 years)<br>who are malnourished | Take Home Ration                     | 800                | 20-25       |
| 4.     | Lower primary classes                                     | Hot Cooked Meal                      | 450                | 12          |
| 5.     | Upper primary classes                                     | Hot Cooked Meal                      | 700                | 20          |
| 6.     | Pregnant women and Lactating mothers                      | Take Home Ration                     | 600                | 18-20       |

#### SCHEDULE III

[See section 31]

#### Provisions for advancing food security

- (1) Revitalisation of Agriculture
  - (a) agrarian reforms through measures for securing interests of small and marginal farmers;
  - (b) increae in investments in agriculture, including research and development, extension services, micro and minor irrigation and power to increase productivity and production;
  - (c) ensuring livelihood security to farmers by way of remunerative prices, access to inputs, credit, irrigation, power, crop insurance, etc.;
  - (d) prohibiting unwarranted diversion of land and water from food production.
- (2) Procurement, Storage and Movement related interventions
  - incentivising decentralised procurement including procurement of coarse grains;
  - (b) geographical diversification of procurement operations;
  - (c) augmentation of adequate decentralised modern and scientific storage;
  - (d) giving top priority to movement of foodgrains and providing sufficient number of rakes for this purpose, including expanding the line capacity of railways to facilitate foodgrain movement from surplus to consuming regions.
- (3) Others: Access to
  - (a) safe and adequate drinking water and sanitation;
  - (b) health care;
  - (c) nutritional, health and education support to adolescent girls;
  - (d) adequate pensions for senior citizens, persons with disability and single women.

# SCHEDULE IV

[*See* section 3 (1)]

## STATE-WSIE ALLOCATION OF FOODGRAINS

| Sl.No. | Name of the State | Quantity<br>(in lakh tons) |
|--------|-------------------|----------------------------|
| 1.     | Andhra Pradesh    | 32.10                      |
| 2.     | Arunachal Pradesh | 0.89                       |
| 3.     | Assam             | 16.95                      |
| 4.     | Bihar             | 55.27                      |
| 5.     | Chhattisgarh      | 12.91                      |
| 6.     | Delhi             | 5.73                       |
| 7.     | Goa               | 0.59                       |
| 8.     | Gujarat           | 23.95                      |
| 9.     | Haryana           | 7.95                       |
| 10.    | Himachal Pradesh  | 5.08                       |
| 11.    | Jammu and Kashmir | 7.51                       |
| 12.    | Jharkhand         | 16.96                      |
| 13.    | Karnataka         | 25.56                      |
| 14.    | Kerala            | 14.25                      |
| 15.    | Madhya Pradesh    | 34.68                      |
| 16.    | Maharashtra       | 45.02                      |
| 17.    | Manipur           | 1.51                       |
| 18.    | Meghalaya         | 1.76                       |
| 19.    | Mizoram           | 0.66                       |
| 20.    | Nagaland          | 1.38                       |
| 21.    | Odisha            | 21.09                      |
| 22.    | Punjab            | 8.70                       |

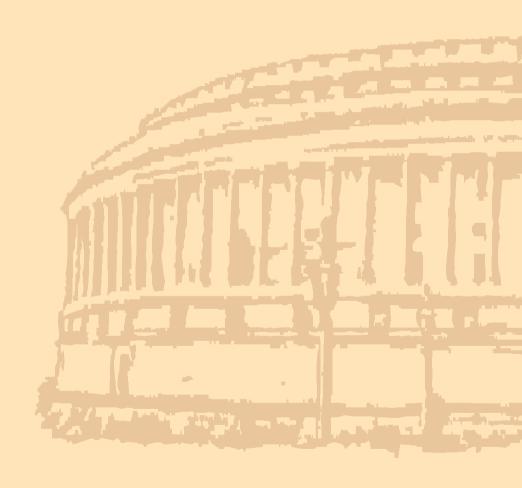
| Sl.No. | Name of the State           | Quantity<br>(in lakh tons) |
|--------|-----------------------------|----------------------------|
| 23.    | Rajasthan                   | 27.92                      |
| 24.    | Sikkim                      | 0.44                       |
| 25.    | Tamilnadu                   | 36.78                      |
| 26.    | Tripura                     | 2.71                       |
| 27.    | Uttar Pradesh               | 96.15                      |
| 28.    | Uttarakhand                 | 5.03                       |
| 29.    | West Bengal                 | 38.49                      |
| 30.    | Andaman and Nicobar Islands | 0.16                       |
| 31.    | Chandigarh                  | 0.31                       |
| 32.    | Dadra and Nagar Haveli      | 0.15                       |
| 33.    | Daman and Diu               | 0.07                       |
| 34.    | Lakshadweep                 | 0.05                       |
| 35.    | Puducherry                  | 0.50                       |
|        | Total:                      | 549.26                     |

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