

The Food Security (Assistance to State Governments) Rules, 2015

UNION OF INDIA

India

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Rule

THE-FOOD-SECURITY-ASSISTANCE-TO-STATE-GOVERNMENTS-RULES of 2015

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The Food Security (Assistance to State Governments) Rules, 2015 Published vide Notification No. G.S.R. 636(E), dated 17 August, 2015 Ministry of Consumer Affairs, Food and Public Distribution (Department of Food and Public Distribution) G.S.R. 636 (E). - In exercise of the powers conferred by clause (e) of sub-section (2) of section 39 read with clause (d) of sub-section (4) of section 22 of the National Food Security Act, 2013 (20 of 2013), the Central Government, after consultation with the State Governments, hereby makes the following rules, namely:-

1. Short title and commencement.

(1) The Food Security (Assistance to State Governments) Rules, 2015. (2) They shall come into force on the date of their publication in the Official Gazette.

2. Definitions.

- In these rules, unless the context otherwise requires,-(a) "Aadhaar number" means the identification number issued to an individual by the Unique Identification Authority of India; (b) "Act" means the National Food Security Act, 2013 (20 of 2013); (c) "designated depots" means the depots specified from time to time, State-wise, by the Central Government, for the purpose of distribution of foodgrains; (d) "entitled persons and households" means persons or households identified by the State Government to receive subsidised foodgrains under section 3 of the Act; (e) "handling" means loading and unloading of foodgrains involved in intra-State movement; (f) "intra-State movement" means movement of foodgrains within a State from the

designated depots and delivering it at the door-step of fair price shops and shall include all stages in this process;(g)"point of sale device" means a device to be installed and operated at fair price shops for identification of entitled persons and households for delivery of foodgrains, based on 'Aadhaar number' or other authentication tools, specified by the Central Government from time to time;(h)"system integrator" means an agency engaged by the State Government to purchase, install and maintain the point of sale device at fair price shops in the State;(i)"tide over allocation" means foodgrains allocated to a State or Union territory, if any, under second proviso to sub-section (1) of section 3 of the Act, over and above the allocation for entitled persons and households;(j)the words and expressions used but not defined in these rules shall have the meanings assigned to them in the Act.

3. Time limit for allocation of foodgrains.

- The Central Government and the State Government shall adhere to the time limits provided in the Public Distribution System (Control) Order, 2015, as amended from time to time, or any other order issued by the Central Government in this regard, for allocation of foodgrains and delivery upto the fair price shops.

4. Duty of the Central Government.

- The Central Government shall allocate foodgrains under Targeted Public Distribution System from Central Pool to the State Governments under the Act and provide for its movement upto designated depots.

5. Duty of the State Governments.

- It shall be the duty of the State Government to take delivery of foodgrains under Targeted Public Distribution System from the designated depots, ensure its delivery through their authorised agencies upto the door-step of fair price shops and to ensure its supply to entitled persons and households at prices specified in Schedule I of the Act.

6. Assistance from Central Government.

(1)The Central Government shall assist the State Government to meet the expenditure incurred by it on intra-State movement, handling of foodgrains and margins paid to fair price shop dealers, for distribution of foodgrains allocated for the entitled persons and households.(2)No such assistance shall be payable in respect of 'tide over allocation'.

7. Norms and pattern of Central assistance.

(1)The norms of Central assistance (in per quintal) to the State Government and Union territory and share of the Central Government (in percentage) shall be limited as under:

Category of States and Union Territories	Norms of expenditure(Rate in ₹ per quintal)	Central share(in per cent.)
Intra-State movement and handling	Fair Price Shop dealers margin	
	Basic	Additional margin for sale through point of sale device
General	65	70
Special	100	143

Explanation. - For the purposes of this rule-(1)"General Category States and Union territories" means the following;(i)Andhra

Pradesh;(ii)Bihar;(iii)Chhattisgarh;(iv)Goa;(v)Gujarat;(vi)Haryana;(vii)Jharkhand;(viii)Karnataka;(ix)Kerala;(x)Madhya Pradesh;(xi)Maharashtra;(xii)Odisha;(xiii)Punjab;(xiv)Rajasthan;(xv)Tamil

Nadu;(xvi)Telangana;(xvii)Uttar Pradesh;(xviii)West Bengal;(xix)Chandigarh;(xx)Dadra and Nagar Haveli;(xxi)Daman and Diu;(xxii)Delhi; and(xxiii)Puducherry.(2)"Special Category States and

Union Territories" means the following-(i)Arunachal Pradesh;(ii)Assam;(iii)Himachal Pradesh;(iv)Jammu and

Kashmir;(v)Manipur(vi)Meghalaya;(vii)Mizoram;(viii)Nagaland;(ix)Sikkim;(x)Tripura;(xi)Uttarakhand;(xii)Andaman and Nicobar Islands; and(xiii)Lakshadweep.(2)The additional margin provided in sub-rule (1) is

towards the cost of purchase, operation and maintenance of the point of sale device, its running expenses and incentive for its use.(3)The additional margin shall be payable for the fair price shop

which has installed a point of sale device and shall be limited to the transactions made through it.(4)The additional margin shall be released on the basis of a certificate from the State Government,

supported by the documents, indicating the following, namely:-(a)number of fair price shops at which the point of sale devices have been installed and are functional; and(b)the details of all

transactions using the point of sale devices.(5)The State Government shall furnish the details of all transactions made through the point of sale devices in public domain.(6)The State Government shall

have the flexibility in choosing any of the following models for the installation of point of sale device, namely:-(a)the State Government may purchase, install and maintain the point of sale device.(b)the

State Government may select a system integrator to purchase, install and maintain the point of sale device;(c)the fair price shop dealer may purchase, install and maintain the point of sale

device.(7)The State Government shall determine the basis for apportioning the additional margin for sale through point of sale device among different stakeholders, depending upon the model

chosen.(8)The State Government shall have the flexibility to allow differential margins within the State taking into consideration the location of shops and number of ration cards attached to the

shops:Provided that the Central assistance shall be limited to the rates specified in sub-rule (1) of rule 7 or the actual average rates for the State as a whole, at which the expenditure was actually

incurred by the State Government, whichever is lower.(9)For the expenditure on intra-State movement and handling of foodgrains, Central assistance shall be limited to the rates specified in

sub-rule (1) of rule 7 or the actual average rates for the State as a whole at which expenditure was incurred by the State Government, whichever is lower.

8. Advance payment of margins to fair price shop dealers.

(1)The State Government shall ensure the payment of fair price shop dealers' margin in advance by way of adjusting the same in prices of foodgrains to be paid by fair price shop dealers, or through other appropriate mechanism.(2)If the price of foodgrains payable by fair price shop dealers in any State or Union territory is lower than the fair price shop dealers' margin, the State Government shall ensure upfront payment of margin, in full, to fair price shop dealers.

9. Effective date of Central assistance.

- The Central assistance to the State Government shall be effective from the date of allocation of foodgrains under the Act and shall be only for allocations made for entitled persons and households.

10. Release of Central assistance.

(1)In the first year of the implementation of the Act, seventy five per cent. of the total Central share of expenditure, calculated on the basis of estimated annual allocation of food grains for the entitled persons and households, the norms of expenditure and Central share as mentioned in sub-rule (1) of rule 7 shall be released to the State Government in advance as first instalment, at the beginning of financial year.(2)The balance twenty five per cent. of the Central assistance shall be released in the following financial year.(3)The admissibility of total annual Central assistance and its amount shall be calculated out on the basis of,-(a)the quantity of food grains actually distributed during the financial year under the Act;(b)actual per quintal rates at which the expenditure was incurred by the State Government or Union territory on intra-State movement and handling of food grains and margins paid to fair price shop dealers, or the norms of expenditure specified in sub-rule (1) of rule (7), whichever is lower; and(c)norms of Central share specified in sub-rule (1) of rule 7.(4)After release of first instalment, if any amount is due, it shall be released as the second instalment.(5)In case of release of excess amount in the first instalment, the same shall be adjusted against due Central assistance for the subsequent financial year.(6)For release of second instalment, the State Government shall furnish information in the proformas prescribed at Schedule I and Schedule II to these rules.(7)In subsequent years, Central assistance shall be calculated on the basis of;(a)estimated annual allocation of food grains for the entitled persons and households to the State;(b)the actual per quintal rates at which expenditure was incurred by the State Government or Union territory during the previous year on intra-State transportation and handling of food grains and margin paid to the fair shop dealers separately or the norms of expenditure mentioned in sub-rule (1) of rule 7 whichever is lower; and(c)norms of Central share specified in sub-rule (1) of rule 7.(8)Seventy five per cent. of the Central assistance estimated under sub-rule (7), shall be released as first instalment in the beginning of the financial year.(9)The balance twenty five per cent. Central assistance shall be released as second instalment in the next financial year subject to the conditions specified in sub-rules (3), (4), (5) and (6).

11. Release of Central assistance for previous years.

- In States and Union territories where implementation of the Act had started in the year(s) before coming into force of these rules, release of due Central assistance for previous years shall be made on the basis of information to be furnished by the States or Union territories, as the case may be, in the proformas prescribed at Schedule I and Schedule II to these rules.

12. Utilisation certificate.

- The State Government and Union territory shall submit utilisation certificate in prescribed proforma to the Central Government, as provided under General Financial Rules, 2005.

I

Proforma(See sub-rule (6) of rule 10 and rule 11)Name of the State/ UT
 _____Department of _____Claim for release of second/final
 instalment of Central assistance on intra-State movement and handling of foodgrainsBill No.
 _____Date _____Statement showing distribution of foodgrains
 through Targeted Public Distribution System under National Food Security Act, 2013 and
 expenditure incurred on intra-State movement and handling of foodgrains during the year

Foodgrains	Quantity of Foodgrains(in quintals)	Actual expenditure on intra-State movement and handling of foodgrains by State or Union territory	Expenditure on intra-State movement and handling of foodgrains as per approved norms*(in ₹ in lakhs)	Central assistance	Total due(% in col.7 to be applied to lower of col. 5 or 6)(in ₹ in lakhs)	Percentage*	Total expenditure incurred(in ₹ in lakhs)	Allocated by Department of Food and Public Distribution	Actual quantity distributed by the State or Union territory under National Food Security Act, 2013	Rates(₹ per quintal)	1	2	3	4	5	6	7	8
Wheat																		
Rice																		
Coarse grains																		

Total
Less: Advance
Central
assistance
received during
the year (in□in
lakhs)
Net amount to
be received
from
Government of
India (in
inlakhs)
It is certified that:-

- 1. The above information is correct.**
- 2. The claim has been prepared only for foodgrains actually distributed through Targeted Public Distribution System under National Food Security Act, 2013 out of the allocation made by Department of Food and Public Distribution.**
- 3. The claim is based on the actual expenditure incurred on intra-State movement and handling of foodgrains.**
- 4. The claim has not been preferred earlier.**
- 5. The amount being claimed through above proforma have not been claimed/ shall not be claimed from the Government of India/Food Corporation of India as part of procurement incidental/economic cost, in the finalisation of procurement incidentals cost sheet by the Government of India for the relevant marketing season for respective commodity under consideration.**

FinancialHead

Authorised signatory

(Signature with name, date and official seal) (Signature with name, date and official seal)

Principal Secretary/ SecretaryFood and Civil Supplies(Signature with name, date and official seal)Note: The certificate may be signed by the Financial Head and the authorized signatory of the department concerned with distribution of foodgrains under National Food Security Act, 2013 or the nominated agency duly authorized by that department to do so.*Approved norms and percentage of Central assistance as prescribed in sub-rule (1) of rule 7.

II

Proforma(See sub-rule (6) of rule 10 and rule 11)Name of the State/UT

_____Department of _____Claim for release of second/final
instalment of Central assistance for expenditure incurred on margins to fair price shop dealersBill
No. _____Date _____(A)Statement showing distribution of
foodgrains through Targeted Public Distribution System under National Food Security Act, 2013
and expenditure incurred on margins to fair price shop dealers during the year

Foodgrains	Foodgrains(in quintals)	Actual expenditure on payment of margins to fair price shopdealers by State or Union territory	Expenditure on margins to fair price shopdealers as per approved norms*(in ₹ in lakhs)	Central assistance		
Allocated by Department of Food and Public Distribution	Actual distributed by the State or Union territoryunder National Food Security Act, 2013	Rates(₹ per quintal)	Total expenditure incurred(in ₹ in lakhs)	Percentage*	Total due(% in col.7 to be applied to lowerof col. 5 or 6)(in ₹ in lakhs)	
1	2	3	4	5	6	7 8
Wheat						
Rice						
Coarsegrains						
Total						
Less: Advance Central assistance received during the year (in ₹ in lakhs)						
Net amount to be received from Government of India (in in lakhs)						

(B) Table showing additional margin payable to fair price shop dealers for sale of foodgrains under National Food Security Act, 2013 through point of sale device during the year _____

S.No.	Item	No./ Amount
1	Total number of fair price shops in the State/ UT.	
2	Number of fair price shops where point of sale device has been installed.	
3	Number of fair price shops where point of sale device was functioning during the year.	
4	Quantity of foodgrains distributed through point of sale device during the year.	
5	Amount of additional margin payable to fair price shop dealers @ ₹17 per quintal for distribution of foodgrains through fair price shops using point of sale device (for quantity mentioned at S.No.4). (in lakhs)	
6	Share of additional margin payable by Central Government* (out of 5 above)	
7	Advance Central assistance received during the year (in ₹ lakhs)	
8	Net amount to be received from Government of India (in ₹ lakhs) (6-7)	

(C) It is certified that :-

1. The above information is correct.

2. The claim has been prepared only for foodgrains actually distributed through Targeted Public Distribution System under National Food Security Act, 2013 out of the allocation made by Department of Food and Public Distribution.

3. The claim is based on the actual expenditure incurred on margins paid to fair price shop dealers.

4. The claim has not been preferred earlier.

Financial Head

(Signature With Name, Date And Official Seal) principal
Secretary/ Secretary

Authorised signatory

(Signature with name, date and
official seal)

Food and Civil Supplies (Signature with name, date and official seal) Note: The certificate may be signed by the Financial Head and the authorised signatory of the department concerned with distribution of foodgrains under National Food Security Act, 2013 or the nominated agency duly authorised by that department to do so.* Approved norms and percentage of Central Assistance as prescribed in sub-rule (1) of rule 7.