Minutes of the National Consultation Meeting of Ministers of States and UTs in- charge of Food & Consumer Affairs held on 7th July, 2015 in Vigyan Bhawan, New Delhi.

1. A National Consultation Meeting was held on 7th July, 2015 with the Food & Consumer Affairs Ministers of the States/UTs under the Chairmanship of Hon'ble Minister for Consumer Affairs, Food & Public Distribution (CA, F & PD), to deliberate on the problem of food inflation and to evolve a common strategy on preventive measures to arrest price rise, particularly of vegetables, pulses and other food items of common consumption. The meeting was attended by concerned Ministers from 16 States and Principal Secretaries/representatives of other States/UTs. Shri Radha Mohan Singh, Hon'ble Agriculture Minister also attended the conference as Chief Guest.

List of participants is enclosed.

2. Secretary (Consumer Affairs) welcomed all the participants. He outlined the agenda of the Meeting and need to draw an action plan to tackle the problem of food inflation which is witnessed every year during July to November and invited Hon'ble Agriculture Minister to give his address.

3. Hon'ble Agriculture Minister in his address informed about various steps taken by the government for the benefit of farmers which included soil health management, improvement in irrigation, increased production of pulses and foodgrains etc. He stressed need for a Single Mandi Law in all the States. Karnataka has implemented, others have been advised to follow the same and also that the Government is committed to establish a National Agriculture Market. He assured that there will be no shortage of irrigation water and with the help of the States, the shortage in irrigation water will be resolved.

He also stressed the need for strengthening of Public Distribution System by the States and cited the example of Chhattisgarh, which could be followed by other States. About Bihar, he stated that currently out of a total coverage of 8.71 crore persons under NFSA, only 7.60 crore are being covered. He stressed on the need for early resolution of issues relating to digitisation of the list of additional about one crore persons to be covered and putting it up on the PDS portal, so that they also start getting the benefits under the Act. On the issue of implementation of National Food Security Act (NFSA) he stated that only 12 States have implemented NFSA and urged the remaining States/UTs, which are yet to implement the Act, to start it early.

4. Hon'ble Minister (CA, F&PD) in his address stated that prices of perishable commodities do increase between July and November, every year and stated that though the Central Government has taken various measures to contain the food inflation, State Governments have to play a decisive role in ensuring availability of Essential Commodities to the people of the country at fair and reasonable prices. He praised all the States for steps taken by them to keep food inflation under control. He appealed to all States & Union Territories to ensure the smooth and adequate availability of all essential food items like Onion, Tomato, Vegetables, fruits, edible oils and pulses by making their trade, commerce and distribution free of hoarding, blackmarketing, profiteering & cartel formation. He said that tackling food inflation is also important for the government because, if left unchecked it can easily distort the various concrete initiatives already taken for revival of the economy and improvement in distributive justice. Government is, therefore, determined to meet this challenge in collaboration with the State Governments. The idea is to evolve a joint strategy and wherever possible extend its implementation up to the district level.

He stated that PDS is a lifeline for the poor and that there is sufficiency of foodgrains in the country. Even in the event of less rainfall last year, there was only a marginal decline in production. Expressing satisfaction over the foodgrains availability situation, he stressed on the need to be watchful about the price situation, especially during the period July to November, which is festive season and most sensitive to price rise. He, however, expressed confidence that the Central Government with the help of the States will be able to handle the situation. Hon'ble Minister also mentioned that his Ministry and the Government is sensitive to the plight of the farmers and in view of the damage to crops due to unseasonal rains/hailstorms, Government decided to relax the quality norms for wheat without any value cut.

With regard to cash transfer of food subsidy, Hon'ble Minister (CA,F&PD) said that this is one of the reform measures for checking leakages and diversions and has its own advantages. He however desired that all the related aspects such as closure of fair price shops and under/non- utilisation of foodgrains storage godowns in cash transfer areas, impact of cash transfer on foodgrain purchase pattern of beneficiaries, likelihood of misutilisation of cash etc, need to be carefully examined.

On the issue of TPDS and NFSA, Hon'ble Minister (CA,F&PD) stated that TPDS is operated under the joint responsibility of the Centre and State Governments and the responsibility of the Central Government is to deliver the foodgrains up to FCI depots. But, beyond that the lifting and its actual distribution to the beneficiaries is the responsibility of the State Governments. To ensure a leak proof TPDS, he urged all the States/UTs to implement end-to-end computerization in a time-bound manner. About NFSA, he stated that if implemented properly, it will address many of the existing shortcomings of TPDS. Only 12 States/UTs have, so far, implemented NFSA, although the period for implementation of the Act has been extended thrice up to 30th September, 2015. The remaining States/UTs need to ensure that implementation starts by 30th September, 2015.

5. This was followed by presentations on Price Trend in essential 22 food items, implementation of NFSA, end-to-end computerisation of TPDS and land related issues for construction of godowns as under;

(i) Principal Advisor, D/o Consumer Affairs gave a presentation on causes of price rise, trend in prices of essential commodities and recent initiatives by the Government to control food inflation. A copy of the presentation is at **Annexure- I**.

(ii) Economic Adviser, D/o Food & P.D., in his presentation on implementation of NFSA, apprised about the current status of its implementation, responsibilities of Central and State Govts. in implementation of the Act and need for its early implementation. He also informed that the additional APL and BPL allocations to States/UTs, which are yet to implement the Act, is upto 30.09.2015. Its continuation may be reconsidered if they fail to implement the Act by 30th September, 2015.

(iii) JS (BP, PD), D/o Food & P.D. presented State-wise physical and financial progress under the scheme of end-to-end computerisation of TPDS. He stressed on the need to expedite the pace of utilisation of funds already released so that next installment could be released. State Governments were also requested to prepare quarter-wise action plan for automation of FPS in one-thirds of the Districts by March, 2016 through installation of Point of Sale devices, for which necessary technical specifications and pattern of financial assistance have already been shared with all States/UTs. Priority should be given to 108 Districts with more than 90% Aadhaar saturation. Besides, he also informed about DBT/Cash Transfer for foodgrains as another reform measure being pursued, especially in few UTs on pilot basis.

(iv) JS (Storage) presented land related issues for construction of godowns by FCI in different States, and for construction of godowns in Bihar under PEG scheme and by the Central Warehousing Corporation.

(v) A copy of the presentation covering (ii), (iii) and (iv) above is at **Annexure-II.**

6. Officers from the States of Andhra Pradesh, Madhya Pradesh, Gujarat and Delhi thereafter informed about their successful initiatives in the areas of FPS automation and 'Aadhaar' seeding, details of which are at **Annexure- III**.

7. After the above presentations, discussions were held with the States on the agenda of the meeting. The salient points of the discussions are as under:-

(i) <u>Gujarat:-</u>

Price control measures

All the District Authorities have been directed to be vigilant about the food inflation.

Implementation of NFSA

All necessary steps are being taken to bring transparency in the distribution system and to implement the Act expeditiously. The ration cards have been digitized and are available on the portal. The State Govt. is using SECC data for verification of ration card data base. During the verification process, they are also collecting mobile number, aadhaar number and linking it to the data base. So far, about 25% of verification has been done and the State requires at least 6 more months to complete the process and implement the Act.

Door step delivery (DSD) has been implemented. Godowns have been computerized.

(ii) <u>Odisha:</u>

Price control measures

Onion price rise is due to unseasonal rains. In Pulses and edible oils, the trend of prices is the same as in others States at national level. Vegetables and Fruits have been delisted from the APMC Act. 1500 MT storage capacity has been created during last year. Steps are being taken to approach the Price Stabilisation Fund.

Implementation of NFSA

The State has finalized 8 exclusion and 5 auto-inclusion criteria for identification of beneficiaries under NFSA. Identification of priority households is in final stages. The final beneficiary data base will be available on State e-PDS portal by 31.8.2015. The State expects to implement the NFSA by 30.9.2015. It was pointed that the allocation of foodgrains mentioned in the Act needs to be increased as the DFPD has assumed the family size of AAY households as 5, whereas the actual household size for AAY is 3.79.

Other issues

DFPD was also requested to increase the coverage under SC/ST Hostel scheme as it has increased three times in last 6 years. The State was requested to approach the concerned Ministries, who have to project the requirement of foodgrains to DFPD.

(iii) <u>Andhra Pradesh:</u>

Price control measures

Prices are stable except Gram Dal. District Price Monitoring Committees monitor prices of food commodities. Against market rate of Rs. 100/kg, State Government is providing the Gram Dal @ Rs. 50/kg.

Implementation of NFSA

Most of the preparatory work has been completed. The State will complete the remaining preparatory activities and start implementation of Act by 30.9.2015. The State Govt. also claimed to have already started implementation of the Act though foodgrains allocation to them under the Act is yet to start. The State requires additional allocation of 3 lakh tons of rice over and above the estimated allocation for the State under NFSA.

Computerisation

Under the Component-I of TPDS Computerisation, digitization of ration cards and supply-chain computerisation have been completed. State Government requested for release of the remaining amount admissible under Component–I. Regarding FPS automation, it was informed that more than 7500 FPSs have been automated so far in the State and they have provided for Iris reader also. Due to FPS automation, they were able to save Rs. 40 crore per month. Besides, by use of Aadhaar seeding, foodgrains worth Rs. 300 crores were saved by removing 67 lakh duplicate/ bogus cards. In 2nd phase, State Govt. has decided to automate all 20,000 FPSs in the State. The State Government sought financial assistance amounting to Rs. 215 crore from DoF & PD for FPS automation. The Issue related to technical support from NIC in one District was also raised.

Other Issues

State Govt. requested for increase in allocation for SC/ST hostels , for which they were advised to approach the concerned Ministries, i.e. Ministries of Social Justice & Empowerment and Tribal Affairs.

(iv) <u>Bihar:-</u>

Price control measures

Stock limits have been imposed as per orders of the Central Government, to check food inflation, hoarding, black marketing and profiteering. Central Government should decide stock limits and prices for perishable food items like tomato, potato etc. The offences under the EC Act be made non-bailable. 13 lakh MT storage capacity has been created.

Implementation of NFSA

Bihar has implemented the Act from March, 2014, with partial coverage after completing almost all the preparatory activities. Out of the coverage of 8.71 crore under the Act, the State has covered 7.60 crore in the first phase and about 1.02 crore are proposed to be covered in the second phase. Request of the State Govt. for foodgrain allocation for additional 1.02 crore persons proposed to be covered in the second phase has not been agreed by the DFPD as the beneficiary list has not been digitised and placed on the PDS portal. Admitting their shortcomings in digitizing and uploading of the beneficiary list, the State Government requested for increase in the allocation for additional beneficiaries as an interim measure and promised to complete the digitisation by August end.

Other issues

The State mentioned about the problem of availability of rakes for movement of foodgrains in some places resulting in non-availability of foodgrains. FCI clarified on this that there are sufficient foodgrains in FCI depots to meet about one and half month's requirement of the State but the State's problem is regarding transportation of these goods to internal areas for which the matter is under consideration in Ministry of Railway for providing more rakes to the State for internal transport. The problem of non existence of any godown in Jamui district was also raised. On this issue, Hon'ble Minister (CA, F&PD) desired that the matter be looked into to ensure availability of rakes and foodgrains in all the districts.

(v) <u>Chhattisgarh:-</u>

Price control measures

Prices of food commodities have rose except in Gram. PDS should be used for distribution of Onion. Subsidy on pulses be restored. 'Hoarding' & 'black marketing' be defined. States be delegated more powers under the EC Act. The condition of concurrence of Central Government on stock limits be done away with. The offences under the EC Act be made non-bailable with provisions for summary trial.

Implementation of NFSA

Chhattisgarh has implemented NFSA. In response to a query of Hon'ble Minister about steps taken for effective implementation of PDS in naxalite affected areas, the State Government explained that they have online system in cities up to District level and offline system in other areas especially naxalite affected. For ensuring distribution of foodgrains in disturbed areas, police protection is provided. Door step delivery is ensured in the State, including naxal areas. For ensuring proper distribution the State Government maintains all records and complaints, if any, are looked into expeditiously.

Computerisation

At present, out of 11,000 FPSs in the State, 500 FPSs in urban areas have been automated and also provided portability.

Other issues

The State mentioned about the subsidy payment due from the Central Government and also requested for creation of additional storage capacity specially in the form of Silos.

It was also requested that the Central Government should allocate 10 kg pulses at subsidized rate of Rs.20 per kg.

(vi) <u>Haryana:</u>-

Price control measures

Except Moong, pulses price increased. The price rise is due to Cartelling. Cartelling by traders be taken seriously. The international hoarding and black marketing also needs to addressed.

Implementation of NFSA

Haryana has also implemented NFSA.

Computerisation:

It was mentioned that they have digitized entire beneficiary database and 99% of which has been verified. It was suggested that the Point of Sale (PoS) device and Mobile Terminals which are to be used for FPS automation may also be bought under DGS&D rate contract. This would benefit the States/UTs for procuring the same.

(vii) <u>Himachal Pradesh:</u>-

Price control measures

The State Government is vigilant on the price rise in food items and is taking effective operations against hoarders, black marketeers and profiteers.

Implementation of NFSA

Himachal Pradesh has started implementation of NFSA from w.e.f. February 2013, with partial coverage. Their request for increasing allocation under NFSA for more beneficiaries identified for coverage has not been agreed by the DFPD on the ground that digitised list of beneficiaries has not been made available on the State portal. It was argued by the State Government that this is against the provisions of the Act, which legally entitles all the identified beneficiaries to receive subsidised foodgrains. Linking foodgrains allocation to digitisation and uploading of the beneficiary list is not correct, because, as per the Act, computerisation of TPDS is not a mandatory pre-condition.

JS(BP&PD) invited the attention of the State Government to the Hon'ble Supreme Court's Order dated 14.9.2011, which inter-alia required State Governments to complete end-to-end computerisation in a time-bound manner. State Governments were also directed to complete certain activities within three months which inter alia included putting up digitized database of ration cards in public domain including on the websites. Attention of the State Government was also drawn to provisions under Section 11 and 27 of NFSA regarding placing the list of identified eligible households and all PDS related records in public domain. Section 38 of the Act empowers Central Government to give directions to State Governments for effective implementation of provisions of the Act, which State Governments are required to comply. Stand of the DFPD therefore on computerisation of TPDS for implementation of NFSA is in line with provisions of the Act and directions of the Hon'ble Supreme Court.

Computerisation

State team has been facing issues regarding application software and NIC was unable to render required level of support. It was informed that NIC was supposed to provide the application software by 03.07.2015 but still the same was pending. It was clarified by DDG, NIC that NIC is ready with the application software and will be demonstrate the same as per mutual convenience with State Government.

(viii) J&K:-

Price control measures: No information.

Implementation of NFSA

Under NFSA, the coverage is 63.55% in rural areas and 47.1% in urban areas. The population covered is 74 lakhs under NFSA and the annual allocation under the Act is 7.51 lakh including tide over allocation of 2.72 lakh. It was stated that this allocation is not sufficient as the State has to provide foodgrains to 100% population for which the requirement of foodgrains will be 9.71 lakh tons. Further, under NFSA, the average allocation of foodgrains is likely to come down to 27 kg per family as against the norm of 35 kg per family per month under existing TPDS. Therefore, the coverage should be increased to 90% in rural areas and 75% in urban areas.

State Government has finalised the inclusion and exclusion criteria for identification of beneficiaries.

The State needs one more year to implement the Act. Hon'ble Minister (CA, F&PD) advised the State Govt. to start implementing the Act at the earliest so that its benefits start reaching the people without any delay.

Computerisation

It was mentioned that the State of J&K is a hilly State, affected by militancy. Therefore, it may be treated at par with the North-Eastern States for the pattern of financial assistance i.e. they may be given funds on 90:10 basis instead of 50:50 basis.

(ix) Jharkhand:-

Price control measures: No information.

Implementation of NFSA

The State intends to start implementation of the Act in 8 Districts in first phase for which a proposal is under consideration of DFPD. It was requested that the existing norm of 5 kg per person per month under NFSA may be increased to 7 kg with an upper limit of 35 kg per family per month. Further, the State requires allocation of wheat also instead of only rice under TPDS.

Computerisation

It was informed that around 35 lakh cards have been digitized with 80% linkages with Aadhaar. The State has been leveraging SECC data for digitization of beneficiary data but it has lot of defects specially in respect of data of urban areas. As regards Supply Chain Management, the State would be making depot code module online by August 2015. The State Government plans to automate all FPSs by March 2015.

Other issues

There is shortage of godowns in the State and they need Central assistance for construction of more godowns.

While implementation of National Food Security Act comes under the domain of the State Food Department, the Food Safety and Standard Act (FSSA) comes under the domain of Health Ministry. However, in actual practice, any problem related to FSSA is also referred to the State Food Department. It was, therefore, suggested that FSSA should also be under the domain of M/o CA,F&PD. Other States also agreed to the suggestion.

(x) Karnataka:-

Price control measures: No information.

Implementation of NFSA

Karnataka has implemented the NFSA w.e.f. January 2014. The State is providing 5 kg foodgrains, 1 kg salt and 1litre kerosene oil to the beneficiaries free of cost. The experience of the State showed that implementation of NFSA has improved the PDS in the State.

Computerisation

The State has implemented end-to-end computerization of TPDS operations. At present, the State is collecting both Aadhaar and EPIC numbers and seeding the same in the beneficiary database. So far, information about 80% of the beneficiaries has been collected and would be seeded within next 2 months. Due to de-duplication, the State has saved Rs.500 crore.

The State representatives had used their own funds for the implementation of Component-I of TPDS computerization. Similarly, 3,000 FPSs have been automated, so far, in the State. It was informed that entire beneficiary list and FPS wise allocation details are on the portal and supply-chain has been computerized. D/o F&PD was requested to reimburse the expenditure incurred by the State Government under Component-I & II of TPDS computerisation.

It was also stated that NIC team needs to be more proactive in their support on technical matters, without waiting for intervention at higher level. DDG, NIC informed that entire application software for TPDS computerization in the State has been developed by State NIC team only. As regards the current issues, he mentioned that he will look into the matter and address the same in consultation with State NIC.

(xi) Kerala:

Price control measures: Atta & Sugar are being delivered door-to-door. Give more money to the Consumer Affairs department.

Implementation of NFSA

It was informed that the State is taking all the necessary steps for speedy implementation of NFSA. The State is in the process of reviewing 82 lakh ration cards and identification of priority households. The existing ration cards are being renewed and the State has conducted camps also to facilitate the beneficiaries. Door-step delivery has been started on pilot basis. The State has developed its online distribution system. Constitution of Food Commission in the State is in progress. Rules are also being finalised under NFSA. It was also informed that they are also providing atta and sugar under PDS in addition to rice.

It was suggested that the allocation under NFSA should be increased to 7 kg per person under priority category.

Though the State shall try to implement the Act by 30.9.2015, the last date may have to be extended by one month.

Computerisation

State Government had sought fresh forms from the beneficiaries which were in process of digitization.

NIC was requested to provide more cooperation for implementation of TPDS computerization. Officers of NIC Hqrs. had visited State for addressing the issues which were still persisting. DDG, NIC responded that NIC team is working to provide all possible support to State team.

(xii) Lakshadweep:-

Price control measures: No information.

Implementation of NFSA

It was informed that the UT has completed all the pre-requisites for implementation of NFSA and sent a proposal for allocation of foodgrains to DFPD. The UT is awaiting approval to their proposal.

(xiii) Madhya Pradesh:-

Price control measures: Stock limits have been imposed. The judges in Consumer Forums are overloaded. More judges are required. The number be increased.

Implementation of NFSA

The State is already implementing NFSA. It is expected that by November 2015, PoS will be installed in all the FPSs and that will address the problem of leakage of foodgrains.

(xiv) Punjab:-

Price control measures: Godowns under PDS are checked regularly.

Implementation of NFSA

It was informed that the State is the highest contributor of foodgrains to the Central Pool. The State has implemented NFSA and under the Act, six months quota is being delivered in 30kg bags to the beneficiaries at a time. The State is using colour tagged bags so that it is possible to identify which bag is from which Mandi along with the year of stock. The 30 kg packaging has resulted in saving a lot of money.

Computerisation

It was mentioned that the State team has created Aadhaar compliant ration card database and the system is such that they are able to capture photographs of the beneficiaries available in the Aadhaar database. This has helped the State in getting the photographs of beneficiaries on their ration cards.

Other issues

The pending amount of food subsidy payable to the State Govt. by the Centre should be released expeditiously so that the State Government does not face any financial problems in fresh procurement.

(xv) West Bengal:-

Price control measures

Maoist extremism affected BPL families are provided rice @Rs. 2/kg. There is shortage of storage capacity. 33 lakh MT paddy has been purchased, 25 lakh MT more is to be purchased.

Implementation of NFSA

The State has started implementation of NFSA in 7 districts. It was however informed that they would be able to cover all the Districts under NFSA by December, 2015 and not September, 2015, indicated earlier. Further, coverage under NFSA is not sufficient and needs to be increased. It was also requested that the rice to wheat ratio in the allocation of foodgrains requires to be changed from 60:40 to 80:20.

Computerisation

It was informed that they had digitized the NFSA beneficiary database in respect of districts where NFSA is being implemented and the same is available on the portal.

Other issues

The State expressed the need for PEG godowns in the State especially in Jangalmahal area. Additional storage capacity needs to be created in view of the likely procurement of large quantity of paddy by the State.

Hon'ble Minister (CA,F&PD) asked the officers of the Ministry regarding construction of of godowns under PEG in West Bengal. It was informed that since West Bengal is DCP State in respect of paddy, FCI is not creating any PEG godowns there. The Hon'ble Minister (CA, F&PD) desired that ED, FCI should hold a separate meeting with the State Food Secretary to sort out storage related issues.

(xvi) Sikkim:-

Price control measures: No information.

Implementation of NFSA

The State mentioned that they are in the advanced stage of completion of formalities for implementation of NFSA. However, being a hilly State there is transportation problem. The State will be able to implement NFSA by 30th December, 2015.

Computerisation

State Government intends to undertake end-to-end computerization in the State but they have been facing challenges related to network connectivity.

(xvii) Arunachal Pradesh:-

Price control measures: No information.

Implementation of NFSA

It was stated that they have some problems relating to transportation due to hilly terrain and the State has to deploy helicopter or resort to headloads to carry foodgrains to certain areas.. The State will be able to implement the Act by 31.3.2016.

There will be a shortage of 2200 MT of rice annually under NFSA and the State's quota needs to be increased. The ratio of sharing of expenditure on intra-State transportation and margins to FPS dealers, between Centre and the State, needs to be revised from 75:25 to 90:10.

Computerisation

The State have invited the tender/bid for end-to-end computerization of TPDS.

(xviii) Rajasthan

Price control measures

Non-PDS items also being distributed through FPSs.

Implementation of NFSA

Rajasthan is already implementing NFSA. The State is providing non-PDS items also under NFSA.

35kg of foodgrains are also being provided to the Annapoorna category.

Computerisation

Ration card digitization would be completed by August 2015.

(xix) Other States

Due to shortage of time, the Chairman requested the remaining States to indicate the date by which they would be able to implement NFSA. The dates given by the States for NFSA implementation are as under:-

(i) Assam- October, 2015
(ii) A&N Islands-September, 2015
(iii) Meghalaya- September,2015
(iv) Mizoram – December, 2015
(v) Nagaland- October, 2015
(vi) Puducherry- August, 2015
(vii) Telangana- September,2015
(viii) Tamil Nadu- one and a half to two years
(ix) Uttar Pradesh- December, 2015

No information could be sought on price control measures. All the States were asked to provide the same in writing later.

8. After detailed deliberations, the Meeting noted that:

a. Concerted action needs to be taken during the peak demand period between July-December each year for the availability of essential commodities of common consumption including vegetables(Onion, tomatoes & Potatoes), Cereals (rice, jowar and bajra), Pulses (masur, tuar and moong dal) and edible oils.

b. It was noted that, this period also coincides with the festive season giving rise to peak demand.

c. The intermediaries in the market – the mandi merchants, wholesale traders and APMC yards are likely to create artificial storages.

d. State APMC laws are a hurdle to modernisation of the food economy. There is a need for revising the Agriculture Produce Market Committee Act (APMC Act), encouraging competition among traders and promoting efficiency in retailing to provide for a competitive market and to moderate food inflation.

e. It is, therefore, crucial that a detailed ***plan*** outlining actions needed to be taken to maintain adequate supplies of select essential commodities at reasonable prices is drawn up by each State and monitored closely and co-ordinated with Government of India to ensure that market interventions are made on a real-time basis.

Department of Food And Public Distribution:

i) Period of one year provided in the NFSA for identification of eligible households, had to be extended thrice as this exercise and other preparatory measures for implementation of the Act had not been completed in many States/UTs. Such States/UTs should take all necessary measures to implement it within the extended period of 30.09.2015.

ii) Additional APL and BPL allocation to States/UTs which are yet to implement NFSA has been made up to 30.09.2015, by which time they are expected to switch over to NFSA.

iii) States/UTs are required to certify their preparedness to implement the Act in a prescribed proforma. It should be ensured that all the items of preparedness in the proforma are completed before sending proposal for foodgrain allocation under the Act.

iv) Completion of all the activities under the ongoing scheme of end-to-end computerisation of TPDS operation is one of the pre-conditions for implementation of NFSA, which is in line with directions of Hon'ble Supreme Court in this regard and provisions of NFSA regarding placing the PDS related information in the public domain.

v) The Hon'ble Supreme Court's Order dated 14.9.2011 in the Writ Petition (Civil) No.196 of 2001 - PUCL Vs UoI & Others is available at http://fcs.uk.gov.in/upload/doc/Document-9.pdf. It directs that the States/UTs must complete end-to-end computerization of TPDS in a time bound manner. Activities like digitization, door-step delivery, creation of a PDS portal, call centre, etc were to be completed in three months. This Order clarifies that digitized database is to be put up in the public domain including on the website.

vi) Information furnished by most of the States/UTs regarding progress under various activities under the ongoing scheme of TPDS computerisation is not visible on the PDS portal. Henceforth, information available on the portal only will be taken as authentic.

vii) States/UTs which have availed Central assistance under the scheme of TPDS computerisation should ensure that matching State share is provided. They also need to improve the pace of expenditure, submit Utilisation Certificates for the funds released and avail second installment of Central assistance.

viii) Available 'aadhaar' numbers should be seeded in the TPDS beneficiary database, for de-duplication of beneficiary database and elimination of fake/bogus ration cards. Wherever 'aadhaar' generation itself is low, concerned State/UT should taken up the matter with UIDAI for more enrolment camps in uncovered areas.

ix) Seeding of 'aadhaar' in the beneficiary database is also necessary for biometric authentication of beneficiaries through PoS devices to be installed in FPSs, for which technical specifications and pattern of Central assistance have been shared with States/UTs.

x) States/UTs should target installation of PoS devices in at least one-thirds of the Districts by March, 2016. They should prepare a quarterly action plan for this purpose, indicating the names of Districts to be covered in each quarter, and share it with DFPD.

xi) To begin with, Districts with more than 90% 'aadhaar' saturation may be taken up on priority, for PoS installation by September, 2015. List of such Districts, which is dynamic, is available on the website of UIDAI.

xii) The States/UTs have to install PoS/smart device at all the FPSs for bio-metric authenticated electronic transaction in a time bound manner and must make all necessary preparations for the same. However, they may also choose to transfer the entitlement in cash through the Direct Benefit Transfer (DBT) model as discussed.

xiii) Regarding allocations for SC/ST hostels and welfare institutions, States/UTs were informed about a recent decision of the Govt. as per which such allocations will be made on the recommendation of Central Ministries of Social Justice & Empowerment and Tribal Affairs. States/UTs should therefore send their proposals to the concerned Ministries.

9. Conclusions of the Meeting:

1. Shri Ram Vilas Paswan, Minister of Consumer Affairs, Food & Public Distribution emphasized the importance of coordinated action between the Central Government and the States in tackling increase in food prices. He said that tackling food inflation is important because, if left unchecked it can easily distort the various initiatives already taken for revival of the economy and improvement in distributive justice. Government is therefore determined to meet this challenge in collaboration with the State Governments. The idea of this Meeting, he said, was to evolve a joint strategy and where possible extend its implementation up to the district level.

2. While noting that the prices of perishable commodities do increase between July and November every year, Shri Paswan pointed out that the Central Government has already taken various measures to contain food inflation. He also noted that the measures initiated by the Centre and the States following the decisions of the National Consultation Meeting held on July 4th last year had helped in moderating food prices. He highlighted the responsibility of State Governments in ensuring availability of Essential Commodities at fair and reasonable prices. He pointed out that the next six months is a period that also coincides with the festive season across the country and demand for essential food items reaches its peak, hence it is necessary to take steps to prevent hoarding and black marketing as

well as to strengthen the supply and distribution channels of essential commodities during this period.

3. The Meeting was attended by representatives from 33 states and Union Territories. Ministers from 16 states participated in the meeting besides the Secretaries in charge of Food and Consumer Affairs from most of the States/UTs. Some of the States made important suggestions on improving the availability of essential commodities and on measures to moderate prices.

4. The Meeting recognized the importance of the effective implementation of National Food Security Act. It was noted that 12 states have already implemented the National Food Security Act, while in the other states there has been progress. Shri Ram Vilas Paswan urged all states to adhere to the time line of 30th September 2015.

5. The States passed a resolution that in order to establish better coordination among different agencies working on protection of rights of consumers, the administrative control of FSSAI be brought under the Department of Consumer Affairs and that the sentiments of the States be conveyed to the Prime Minister.

The following action plan was agreed to and adopted with the objective of maintaining the availability of essential commodities at reasonable prices during the six-month period between July – December 2015:

a) The action plan will cover Pulses, edible oils, rice, onions, tomatoes and potatoes.

b) Sustained action will be initiated against hoarding and black-marketing and States will undertake effective enforcement of the Essential Commodities Act and Prevention of Black Marketing Act.

c) States will identify vulnerable areas where supply shortages occur and ensure that "stock-out" situations do not occur especially of items of common consumption.

d) States will mobilize existing storage capacity utilizing the Government/private/cooperative storage infrastructure to ensure that adequate decentralized stocks are maintained across different cities/rural areas of the State to ensure adequate supplies of these commodities. States will also mobilise Food & Civil Supplies Corporations, cooperative Societies and Fair Price Shops for augmenting distribution avenues for essential food items.

e) The existing Price Monitoring Cells in the States will be strengthened to monitor the prices of these specific commodities on the basis of wholesale prices at the mandis as well as the retail prices obtaining in various parts of the State. This should enable the States to make market interventions on a real time basis.

f) Review of APMC Act with reference to Onions, Potatoes and Tomatoes to remove inter- state barriers to internal trade.

g) Progress in preparedness of the States/UTs where National Food Security Act is yet to be implemented was reviewed by Hon'ble Minister and he stressed on the need to ensure that the Act is implemented within the extended period i.e. by 30.09.2015. Most of the States/UTs assured for its implementation within this time limit.

h) In addition, progress in the computerization of TPDS operations was also reviewed. Hon'ble Minister emphasized that its time bound completion is essential for checking leakages and diversion of foodgrains and to bring in transparency and accountability in the system. There was a broad agreement on the need for its time bound completion. Issues relating to Aadhaar seeding in beneficiary database and installation of Point of Sale devices at Fair Price Shops for authentication of beneficiaries and electronic recording of transactions were also discussed.

i) Some States raised the demand for more allocation for SC/ST hostels and welfare institution. They were informed about a recent decision of the Government that such allocations will now be made by the Central ministries of Social Justice & Empowerment and Tribal Affairs. State Government should accordingly send their proposals to concerned Ministries.

10. The Central Government will coordinate implementation of the Action Plan closely with States. The Joint Secretary, Consumer Affairs, Government of India will be the National Focal Point and each State Government has been advised to designate the Commissioner of Food and Civil Supplies of the State as the State focal point for the effective price monitoring of essential commodities over the next six months.

11. The meeting ended with vote of thanks.

National Consultation Meeting of Ministers of States/UTs in-charge of Food & Consumer Affairs held on 7.7.2015 at Vigyan Bhavan, New Delhi.

List of Participants

Sl No.	**Name S/Shri**	
01.	Ram Vilas Paswan	Minister for Consumer Affairs, Food & Public Distribution- In Chair
02.	Radha Mohan Singh	Minister for Agriculture. - Chief Guest
	Ministers of States in-charge of Food & Consumer Affairs	
03.	Shyam Rajak	Bihar
04.	Punnulalmohal	Chhatisgarh
05.	Bhupendra Sinh Chudasama	Gujarat
06.	Ram Bilas Sharma	Haryana
07.	Sanjay Kr. Das Burma	Odisha
08.	Kunwar Vijay Shah	Madhya Pradesh
09.	Adaish Partap Singh Kairon	Punjab
10.	Chowdhary Zulfhar Ali	J&K
11.	Saryu Roy	Jharkhand
12.	Dinesh Gundu Rao	Karnataka
13.	Jyoti Priya Mallick	West Bengal
14.	Anoop Jacob	Kerala
15.	Hem Singh Bhadana	Rajasthan
16.	Smt. Paritala Sunithamma	Andhra Pradesh
	Central Government Officers	
17.	C. Viswanath	Secretary, D/o Consumer Affairs
18.	Smt. Chandralekha Malviya	Principal Adviser, D/o Consumer Affairs
19.	Smt. Aruna Sethi	Principal Adviser, D/o F&PD
20.	P.K. Jha	Additional Secretary, D/o Consumer Affairs
21.	G. Gurucharan	Additional Secretary, D/o Consumer Affairs
22.	UKS Chauhan	Joint Secretary , DFPD
23.	Smt. Bharti Das	CCA & Joint Secretary, D/o Consumer Affairs
24.	Sanjay Lohia	Joint Secretary, D/o Agriculture & Coop.
25.	Subhasish Panda	Joint Secretary , D/o F&PD
26.	Deepak Kumar	Joint Secretary, D/o F& PD
27.	Smt. Rachna Chopra	Adviser, F&PD
28.	Nilambuj Sharan	Economic Adviser, D/o F&PD
29.	Smt. Maninder Kaur Dwivedi	I/C CMD FCI, FCI
30.	Sanjeev Hans	PS, M(CA, F&PD)
31.	RC Meena	OSD, M(CA, F&PD)
32.	Dr. Gautam Ghosh	DDG (NIC), NIC
33.	SK Singh	Sr. Dy. GM, ECIL
34.	G.S. Shekhawat	Dir, DBT, D/o Expenditure
35.	Aashish Banati	Director, STQC, DEITY, MCIT
36.	VBVC Rao	Sr. Tech. Dir/Scientist-F, NIC

37.	Smt. Priya Nair	DEA, MOF
38.	Ravi Gupta	Scientist C, NIC
39.	Rabi Ranjan	Research Officer, DEA, MOF
40	Vivekanand	ACGA, PFMS Cell, D/o CGA
41.	Sanjay Kumar Das	Economic Officer, DEA, MOF
42.	S. Akkayi	Eco Off., M/o Finance
43.	Alok Sharma	Proj. Mgr. Sikkim, DEITY, GOI
	State Government Officers	
44.	SS Prasad	Addl. Chief Secy, Food & Supply, Haryana
45.	Er. Marko Tado	Pr. Secy, Arunachal Pradesh
46.	PW Ingty	Pr. Secy, FCS & CA, Govt. of Meghalaya
47.	Ashok Barnwal	Pr. Secy, Govt. of MP
48.	Deepak Kapoor	Pr. Secy, Maharashtra Govt.
49.	Smt. Radha Raturi	Pr. Secy, FCS, UK
50	Shiv Das Meena	Pr. Secy, Food, Govt. of Tamil Nadu
51.	MK Das	Pr. Secy, FCS & CA, Govt. of Gujarat
52.	G Kamal U Rao	Secy, Civil Supplies, Kerala
53.	Madhu Sudan Padhi	Secy, FCA, Odisha
54.	Saurabh Bhagat	Secy to Govt. of JK, Govt. of JK
55.	Dr. Rajat Kumar	Secy (FCS), Govt. of Telangana
56.	Smt. Bhawna Garg	Secy Food, Chandigarh
57.	K Ramgopal	VC & MD, Hyderabad, Secy to Govt., AP
58.	Vinay Kr. Choubey	Secy (F&CA), Govt. of Jharkhand
59.	AG Anilal	Spl. Secy, Govt. of Kerala
60.	Dr. Kamalpreet Singh	Sp. Secy, Food, Govt. of Chhatisgarh
61.	B.K. Tripathi	Spl. Secy, FCS
62.	Sanjeev Kumar	Commissioner (FCS), Govt. of Delhi
63.	Dr. Manohar Agnani	Commissioner, FCS, MP Govt. of MP
64.	Rajesh Prasad	Commissioner & Secy, Govt. of Assam
65.	Ajay Chauhan	Commissioner, F&CS, UP Govt.
66.	Gopalakrishnan S	Commissioner CS, GOTN
67.	Shyam Jagannathan	Commissioner & Director, Kerala
68.	SS Ghonkrokta	Sp commissioner (F&CS), Govt. of Delhi
69.	Satish	Adviser, FC&CA, Govt. of Sikkim
70.	Satish Ch. Rai	Adviser, Govt. of Sikkim
71.	AT James	MD, Civil Supplies, Kerala
72.	SSR Srinivas	Sr. DGM, BEL, Bangalore
73.	H. Rajesh Prasad	Admn., UT Lakshadweep
74.	M.Shivakumar	M(SRS), CRL-BEL, Bangalore
75.	Arvind Kr. Singh	MD, SFC, Bihar
76.	RSP Daftuar	JS, D/o F&CP, Bihar
77.	R.K. MOR	OSD, Govt. of Manipur
78.	Umakant	OSD, Govt. of Mizoram
79.	Farooq Ahamad	OSD, CAPD Deptt., Govt. of J&K
80.	Smt. Pratibha Sinha	OSD Food & CP Deptt., Bihar

81.	G.Rain Betov	Director C.S., Govt. of AP
82.	Vikas Gaunekar	Director, CS & JS, Govt. of Goa
83.	Zakir Malik	CAPD J&K
84.	Liyon Borang	Director F&CS, Govt. of AP
85.	Rajiv Bansal	Pr. Resi Commsnr, Govt. of Nagaland
86.	P Priytarshny	AS-cum-Dir., Govt. of Puducherry
87.	Wilfred Khylup	Dir (F&CS), Shillong, Govt. of Meghalaya
88.	Ramesh Chander	AS to Govt., CAPD, J&K Govt.
89.	Asar Pal Singh	Addl. Res. Commsnr, Lakshadweep
90.	Smt. Simarjot Kaur	JD, D/o F&S, Punjab
91.	RC Meena	DS(F&CS), UT Admn. Daman & Diu
92.	Smt. Priyanka Kumari	DS (F&CS), Dadra & Nagar Haveli
93.	Anil Verma	PS, F&CS, Govt. of WB
94.	N. Ramachandra Reddy	PS to Minister, O/o Minister, Food & Civil Supplies, AP
95.	Jaipal Singh	Dy. Dir., FCS, Haryana
96.	Satya Pal Kaloria	Dy. Dir, A&N Admn.
97.	Zakir Malik	PRO, Govt. of J&K
98	Dr. Kalpana G	PRs, FCSA, KTK, Karnataka
99.	Sandeep Ghosh	Consltant, TPDS, Govt. of Assam
	Representative of other Organisations.	
100.	Suresh Misra	Chairman Prof., IIPA

ANNEXURE-I

7/7/2015

ANNEXURE-I

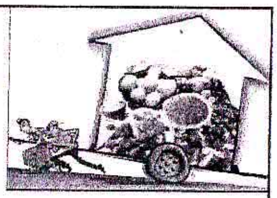
NATIONAL CONSULTATION MEETING OF MINISTERS OF STATES/UT'S OF FOOD & CONSUMERS AFFAIRS

PRESENTATION ON PRICES OF ESSENTIAL FOOD ITEMS

VIGYAN BHAWAN, NEW DELHI

(7TH JULY 2015)

FOOD INFLATION



- Continuous/consistent rise in prices.
- Rising prices-
  - reduce purchasing power
  - reduce consumption /quantity intake
  - impact poor/vulnerable sections more

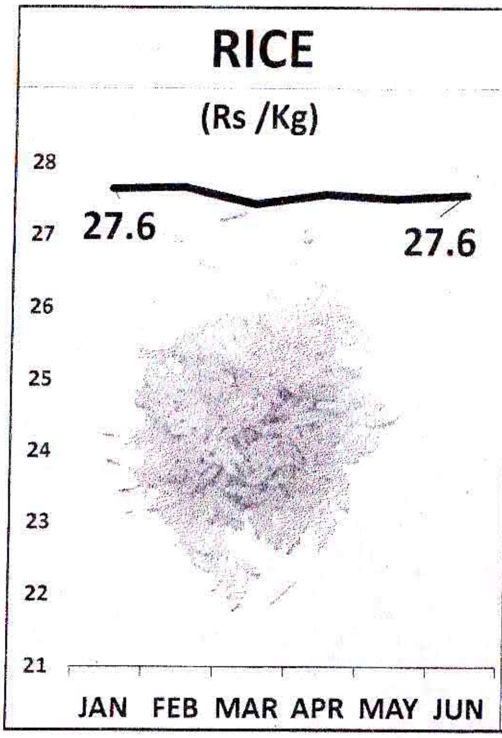
CAUSES OF PRICE RISE

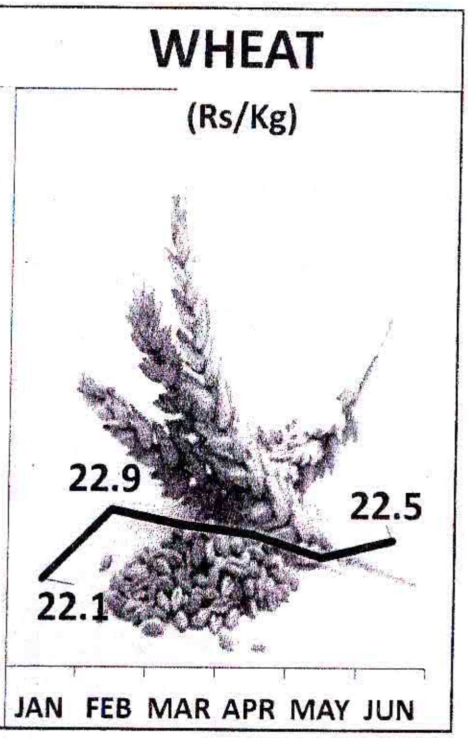
- Demand–Supply mismatch
- Adverse weather conditions and resultant crop loss
- Poor post harvest infrastructure like cold chains and storage facilities
- Lack of adequate transport facilities
- Hoarding & Black Marketing

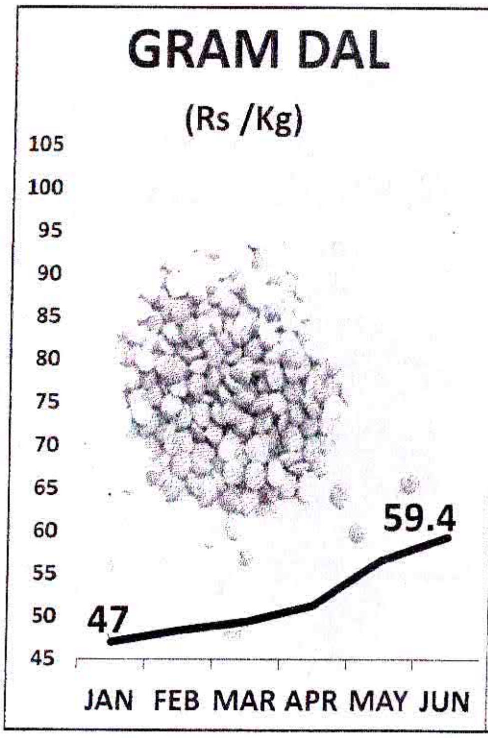
PRICE MONITORING

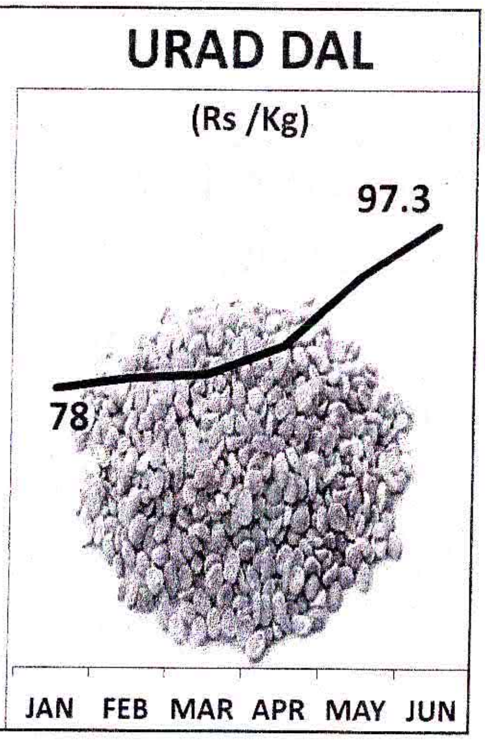
✓ 22 Essential Commodities from 75 centres

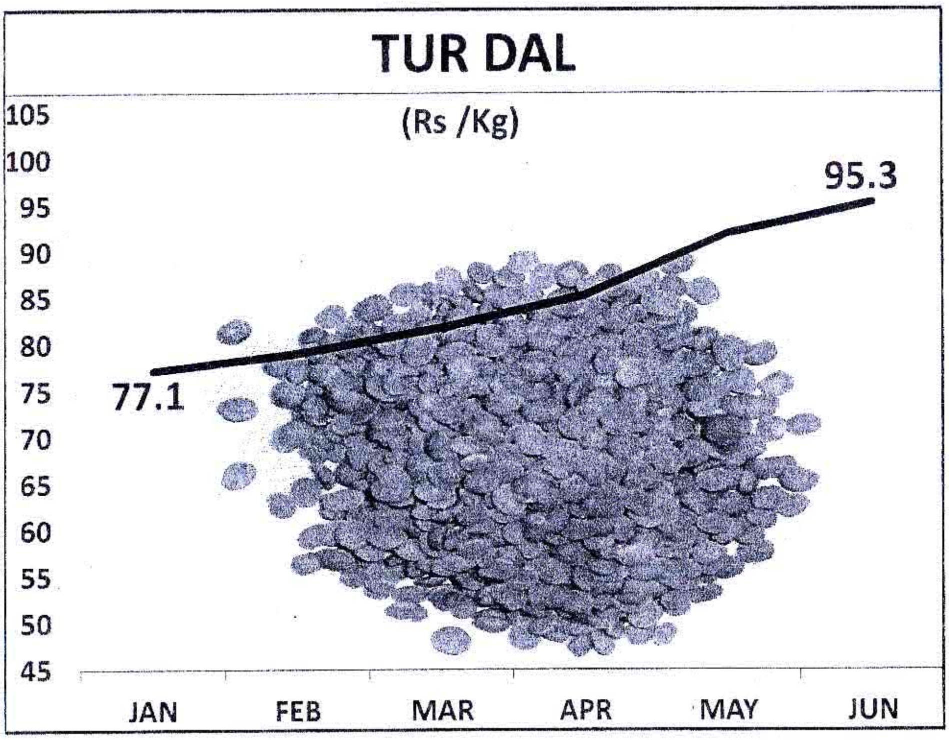
Cereals (2)	Pulses (5)	Edible Oil (6)	Vegetables(3)	Others (6)
Rice	Chana	Groundnut	Potato	Sugar
Wheat	Arhar	Mustard	Onion	Milk
	Urad	Vanaspati	Tomato	Atta
	Moong	Soya		Gur
	Masoor	Sunflower		Tea Loose
		Palm		Salt Pack


RICE
(Rs /Kg)
28
27
26
25
24
23
22
21
27.6
27.6
JAN FEB MAR APR MAY JUN

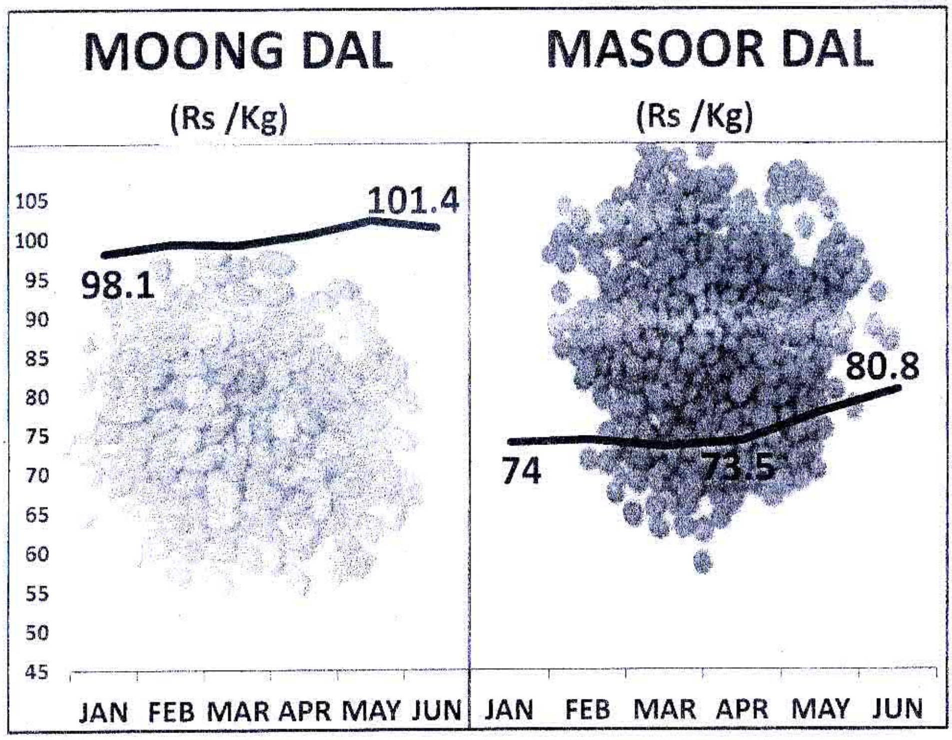

WHEAT
(Rs/Kg)
22.9
22.5
22.1
JAN FEB MAR APR MAY JUN


GRAM DAL
(Rs /Kg)
105
100
95
90
85
80
75
70
65
60
55
50
45
59.4
47
JAN FEB MAR APR MAY JUN

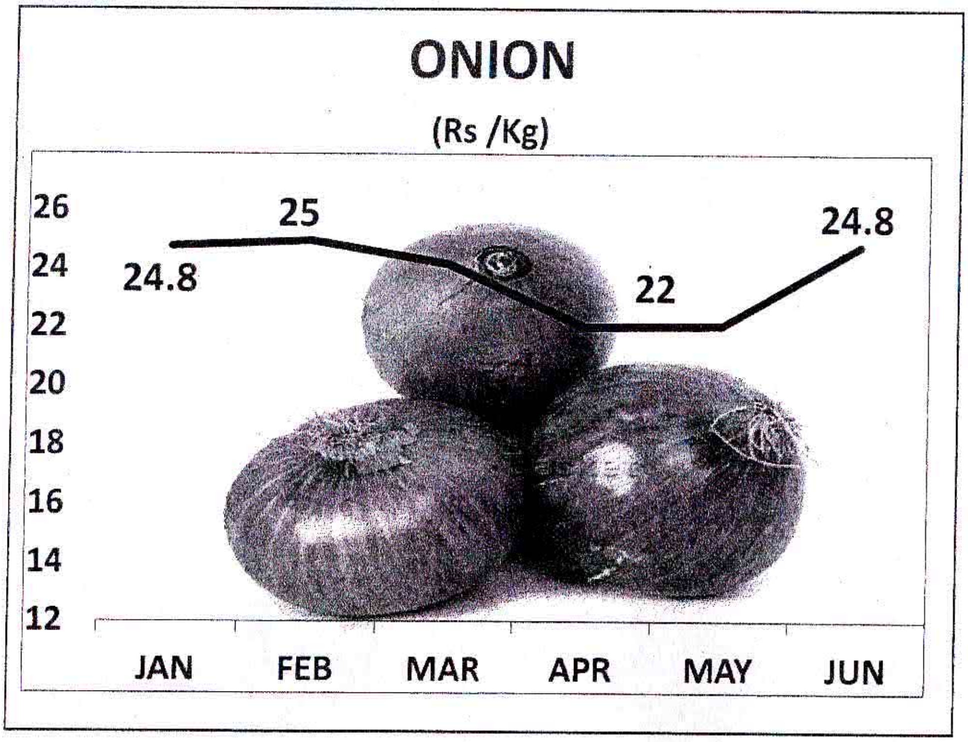

URAD DAL
(Rs /Kg)
97.3
78
JAN FEB MAR APR MAY JUN

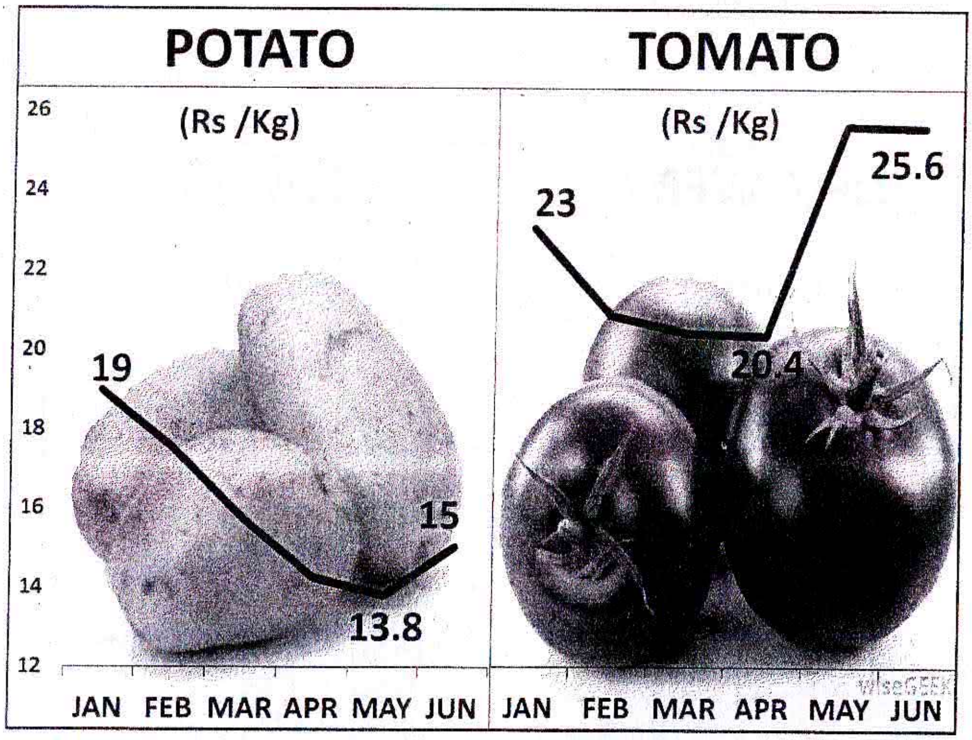


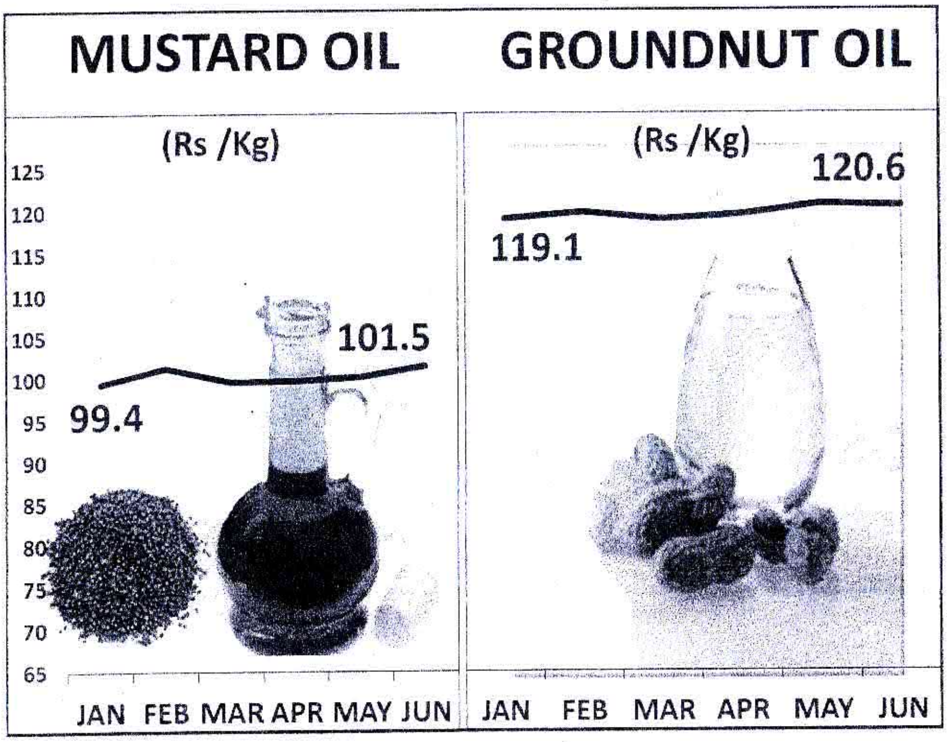
TUR DAL
(Rs /Kg)
105
100
95
90
85
80
75
70
65
60
55
50
45
77.1
95.3
JAN
FEB
MAR
APR
MAY
JUN

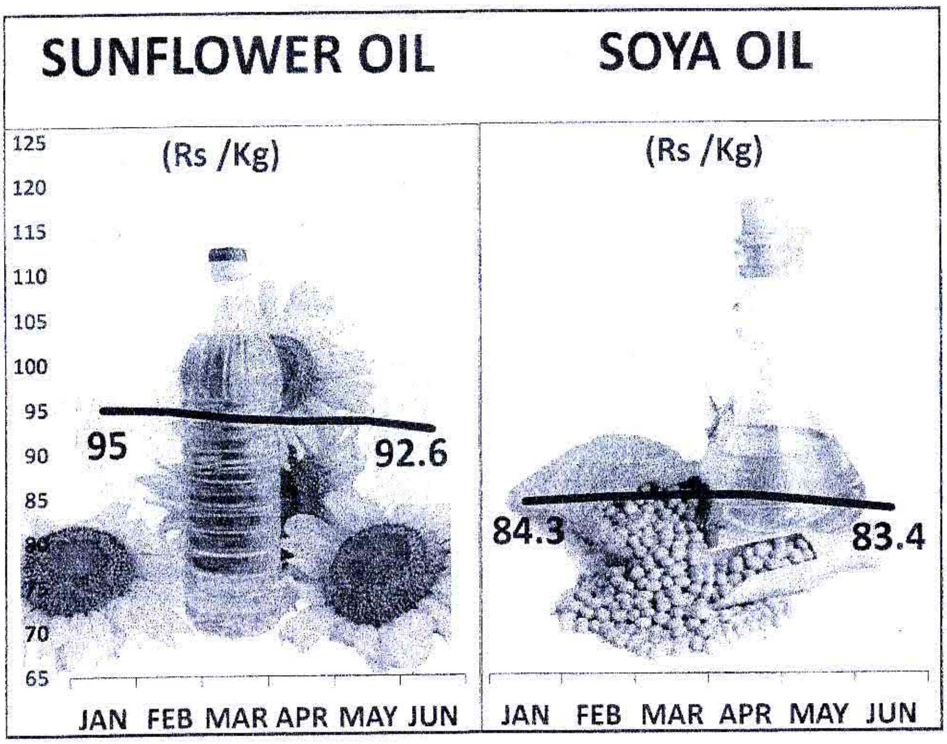


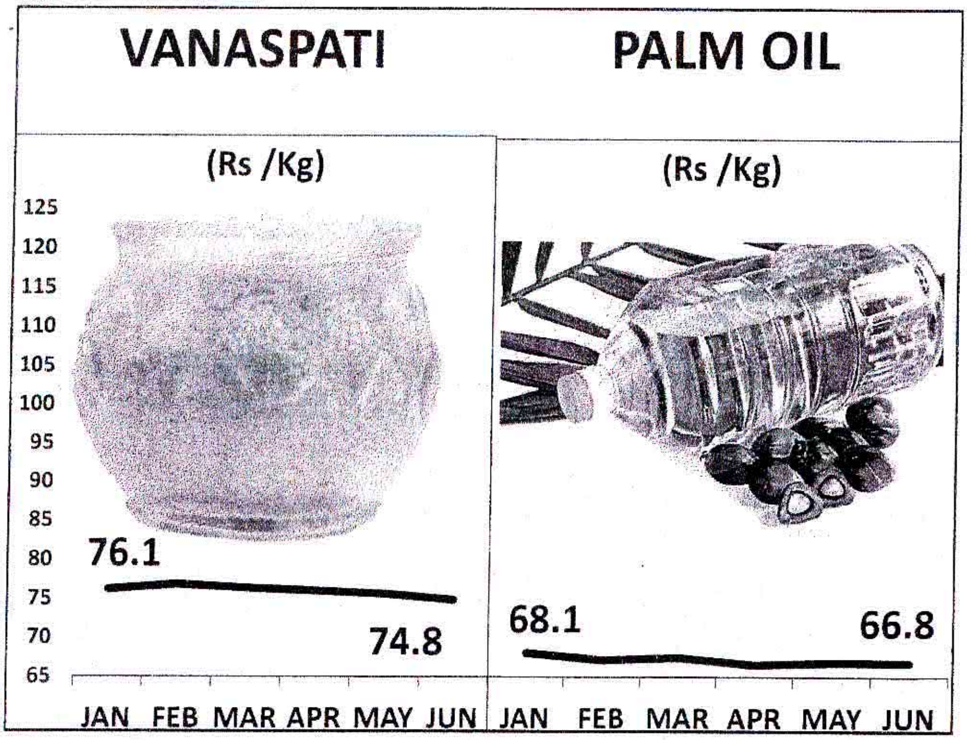
MOONG DAL
(Rs /Kg)
MASOOR DAL
(Rs /Kg)
105
100
95
90
85
80
75
70
65
60
55
50
45
98.1
101.4
74
73.5
80.8
JAN FEB MAR APR MAY JUN
JAN FEB MAR APR MAY JUN

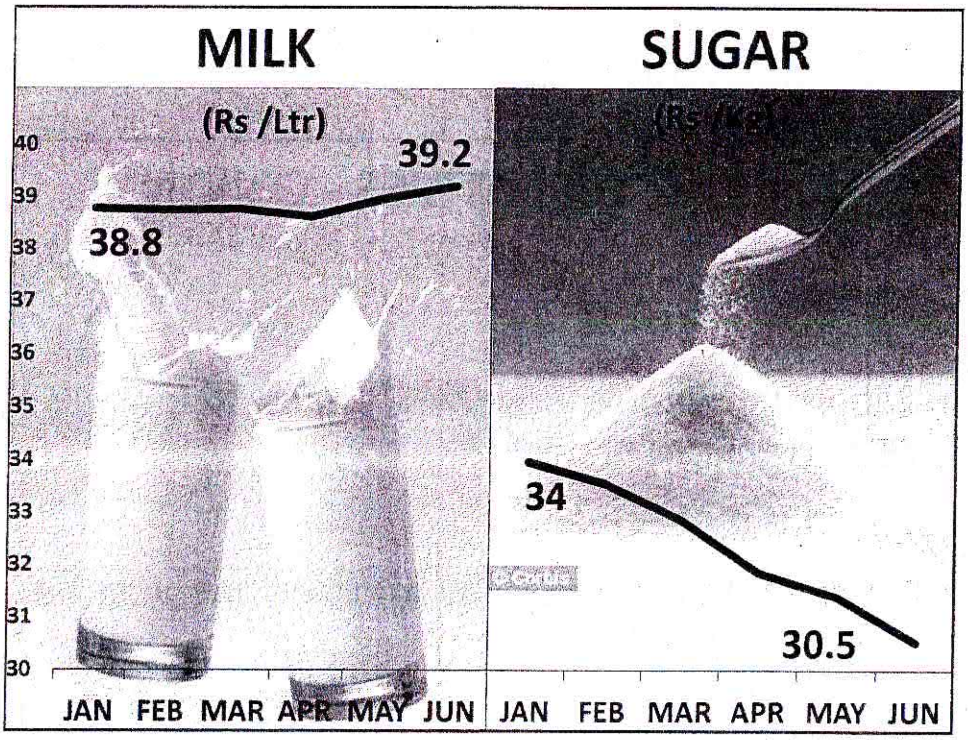

ONION
(Rs /Kg)
26
24
22
20
18
16
14
12
24.8
25
22
24.8
JAN
FEB
MAR
APR
MAY
JUN


POTATO
TOMATO
(Rs /Kg)
(Rs /Kg)
26
24
22
20
18
16
14
12
19
15
13.8
23
20.4
25.6
JAN FEB MAR APR MAY JUN
JAN FEB MAR APR MAY JUN


MUSTARD OIL
GROUNDNUT OIL
(Rs /Kg)
125
120
115
110
105
100
95
90
85
80
75
70
65
99.4
101.5
JAN FEB MAR APR MAY JUN
(Rs /Kg)
120.6
119.1
JAN FEB MAR APR MAY JUN


SUNFLOWER OIL
SOYA OIL
(Rs /Kg)
125
120
115
110
105
100
95
90
85
70
65
95
92.6
JAN FEB MAR APR MAY JUN
(Rs /Kg)
84.3
83.4
JAN FEB MAR APR MAY JUN


VANASPATI
PALM OIL
(Rs /Kg)
(Rs /Kg)
125
120
115
110
105
100
95
90
85
80
75
70
65
76.1
74.8
68.1
66.8
JAN FEB MAR APR MAY JUN
JAN FEB MAR APR MAY JUN


MILK
SUGAR
(Rs /Ltr)
40
39
38
37
36
35
34
33
32
31
30
39.2
38.8
34
30.5
JAN FEB MAR APR MAY JUN
JAN FEB MAR APR MAY JUN

RECENT INITIATIVES - PULSES

- Import of 5000 MT of Tur & Urad
- MSP raised for kharif pulses by Rs 275 per qtl for Tur & Urad, and by Rs 250 per qtl. for Moong.
- Ban on export of all pulses, except
  - Kabuli Chana;
  - Organic pulses & lentils up to 10,000 MTs
- Zero import duty extended till 30th September,2015.
- States/UT's empowered to impose stock limits up to 30.9.2015, under EC Act , 1955.

RECENT INITIATIVES - ONION

- Minimum Export Price(MEP) raised from USD 250 to USD 425 per MT.
- Stock limits extended by another one year i.e. up to 2rd July 2016.

CAS States & non-CAS States

States on CAS Application Software (22)		Using State NIC Applications (8)	Using State Govt. Applications (6)
Assam	Meghalaya	Chhattisgarh	Andaman & Nicobar Islands
Andhra Pradesh	Mizoram	Delhi	Arunachal Pradesh
Chandigarh	Manipur	Gujarat	Bihar
Dadar & Nagar Haveli	Nagaland	Jharkhand	Odisha
Daman & Diu	Puducherry	Madhya Pradesh	Punjab
Goa	Rajasthan	Karnataka	Tamil Nadu
Haryana	Sikkim	Kerala	
Himachal Pradesh	Telangana	West Bengal	
Jammu & Kashmir	Tripura		
Lakshadweep	Uttar Pradesh		
Maharashtra	Uttarakhand		

Ration Card details on State Portal

Available (13)	Andaman & Nicobar Isl, Andhra Pradesh, Chhattisgarh, Delhi, Goa, Gujarat, Haryana, Himachal Pradesh, Jharkhand, Karnataka, Kerala, Lakshadweep, Telangana, West Bengal
Partial data (1)	Uttarakhand
Partial data (12) – not as per guidelines	Arunachal Pradesh, Bihar, Chandigarh, Dadra & Nagar Haveli, Daman & Diu, Jammu & Kashmir, Madhya Pradesh, Maharashtra, Puducherry, Tripura, Uttar Pradesh
No Data (10)	Assam, Manipur, Meghalaya, Mizoram, Nagaland, Odisha, Punjab, Rajasthan, Sikkim, Tamil Nadu,

Note:- Most of the data on the portals is static

18

Online Allocation of Foodgrains

Not implemented (17)

- Andaman & Nicobar Isl., Chandigarh, Dadra & Nagar Haveli, Daman & Diu, Himachal Pradesh, Jammu & Kashmir, Kerala, Lakshadweep, Manipur, Meghalaya, Mizoram, Nagaland, Punjab, Rajasthan, Sikkim, Tripura and Uttarakhand

Partially implementation (5)

- Arunachal Pradesh, Assam, Haryana, Jharkhand and Puducherry

Implemented – no data on portal (4)

- Gujarat, Madhya Pradesh, Maharashtra, Tamil Nadu

Implemented with FPS-wise data on portal (10)

- Andhra Pradesh, Bihar, Chhattisgarh, Delhi, Goa, Karnataka, Odisha, Telangana, Uttar Pradesh and West Bengal

19

Supply Chain Management

- Involves online
  - Receipt & issuance of foodgrains
  - Monitoring stock position of all godowns
  - Payments from State agencies/ FPS dealer
  - Generation of Release-Order/ Delivery-Order / Truck-Challan, Gate-Pass
- SMS alert to FPS dealers / registered beneficiaries regarding dispatch of foodgrains
- Only 6 States/UTs implemented so far
  - Bihar, Chhattisgarh, Delhi, Goa, Karnataka, Tamil Nadu
- Issue - Whether all stipulated activities are being undertaken

20

ANNEXURE-II

NFSA, TPDS Computerisation and Other issues

Department of Food & Public Distribution

07.07.2015

Agenda

- National Food Security Act, 2013
- Computerization of TPDS Operations
- Other issues

National Food Security Act, 2013

National Food Security Act - 2013

- Came into force w.e.f. 5th July, 2013
- Provided for a period of one year for identification of eligible households for coverage under TPDS
- Criteria for identification to be evolved by States/UTs
- Period of one year for identification of beneficiaries had to be extended thrice, last upto 30.09.2015

4

NFSA – Responsibilities of Central and State Governments

- Central Government
  - Allocation of required foodgrains to States/UTs and
  - Its transportation upto designated depots in each State/UT

- State Governments
  - Identification of eligible households
  - Lifting foodgrains from designated depots
  - Delivery of foodgrains upto door-steps of fair price shops
  - Ensuring supply of foodgrains to entitled beneficiaries
  - Necessary strengthening of TPDS

5

NFSA – Prerequisites for implementation

- Evolving criteria for identification of eligible households

- Identification of eligible households within the coverage determined for each State/UT

- Issuance of ration cards under NFSA to eligible households

6

NFSA – Prerequisites for implementation

- Necessary strengthening of TPDS
  - Door-step delivery
  - Availability of sufficient and scientific storage facility
  - Setting up of grievance redressal mechanism
  - Completion of activities under TPDS computerization scheme

- States/UTs to certify their preparedness in a Proforma covering above points

7

NFSA Implementation Status

- Implementation started in 12 States/UTs
  - Full coverage in 7 [Chhattisgarh, Haryana, Karnataka, Madhya Pradesh, Maharashtra, Punjab and Rajasthan] and
  - Partial in remaining 5 [Bihar, Delhi, Himachal Pradesh, West Bengal and Chandigarh]

- Yet to be implemented in 24 States/UTs

- Proposal received from Andhra Pradesh, Jharkhand and Lakshadweep – clarifications sought

8

Time-bound implementation of the Act

- Two years have lapsed since the Act came into force
- 24 States/UTs yet to implement; repeatedly pursued at various levels
- Ensure implementation of Act, including putting digitized data on portal, **by 30.09.2015**, failing which no additional APL & BPL allocation from Oct 2015

9

End-To-End Computerization of TPDS Operations

Aadhaar seeding, TPDS computerisation, FPS automation, DBT

Financial assistance under Plan scheme

- **1st instalment of central share given 28 States/UTs**

- **Issues -**
  - Expenditure not made by States
  - Matching share not provided by State Govt.
  - UCs not furnished
  - 2nd installment not sought; funds available with DoF&PD

11

Central assistance, expenditure

(as on 30.06.2015)

S. No.		State/UT	Total project cost (In cr)	Ist Instalment of Central Share (In Cr)	State Matching Share (In Cr)	Cumulative expenditure reported (In Cr)
1.	A	Andhra Pradesh	83.37	12.02	4.00	16.79
	B	Telengana		8.59	0.49	4.38
2.		Arunachal Pradesh	13.16	7.11	-	-
3.		Assam	42.99	19.73	2.57	4.00
4.		Bihar	59.62	17.89	-	4.99
5.		Chhattisgarh	17.30	3.35	3.35	59.49
6.		Goa	6.23	1.87	1.87	3.53
7.		Himachal Pradesh	14.13	4.24	-	4.75
8.		Jammu & Kashmir	20.37	6.11	-	2.00
9.		Kerala	24.34	7.30	-	0.86
10.		Jharkhand	31.56	9.47	-	3.40
11.		Lakshadweep	2.34	1.40	0.46	0.02
12.		Madhya Pradesh	57.80	17.34	-	13.93
13.		Maharashtra	69.72	20.92	-	13.00
14.		Manipur	7.85	4.24	-	0.32

12

Central assistance, expenditure (as on 30.06.2015)

S. No.	State/UT	Total project cost (In cr)	Ist instalment of Central Share (In Cr)	State Matching Share (In Cr)	Cumulative expenditure reported (In Cr)
15.	Meghalaya	10.20	5.51	0.61	0.31
16.	Mizoram	9.10	4.91	-	1.44
17.	Nagaland	10.22	5.53	-	5.42
18.	Odisha	36.92	11.08	-	4.98
19.	Punjab	25.96	7.79	-	0.19
20	Puducherry	4.70	1.40	-	-
21.	Rajasthan	46.29	13.89	-	5.31
22.	Tamil Nadu	39.43	11.83	-	7.00
23.	Tripura	10.82	5.85	-	0.85
24.	Uttar Pradesh	94.43	30.99	-	29.07
25.	Uttarakhand	17.47	5.24	5.75	3.93
26.	West Bengal	50.55	15.17	-	8.48
27.	Daman & Diu	2.47	0.74	-	-
	TOTAL	**823.43**	**261.51**	**19.10**	**158.74**

Component-wise Progress claimed by States/UTs

As on 30.06.2015

Components	Present Status
Digitization of Ration Cards	Implemented in 24 States/UTs
Online Allocation	Implemented in 13 States/UTs
Supply Chain Management	Implemented in 06 States/UTs
Transparency Portal	Implemented in 26 States/UTs
Online Grievance Redressal	Implemented in 21 States/UTs
Toll Free number	Implemented in 28 States/UTs

Note:-

<u>Allocation after December 2015 only on digitised list as seen on Portal</u>

Digitization & Aadhaar seeding
(as on 30.06.2015)

Sl.	States/UTs	Ration card digitized (in %)	Aadhaar generated (in %)	Aadhaar seeded (in %)
1	Andaman and Nicobar Islands	100.00	62.21	0.00
2	Chandigarh	100.00	94.12	95.00
3	Dadra and Nagar Haveli	100.00	78.23	42.00
4	Daman and Diu	100.00	72.32	71.00
5	Puducherry	100.00	94.52	76.00
6	Lakshadweep	100.00	94.25	61.00
7	Delhi	100.00	108.24	100.00
8/9	Andhra Pradesh + Telangana	100.00	100.50	98.00
10	Arunachal Pradesh	76.00	26.35	0.00
11	Assam	100.00	1.17	0.00
12	Bihar	100.00	50.45	0.00
13	Chhattisgarh	100.00	76.10	0.00
14	Goa	96.00	92.95	9.00
15	Gujarat	100.00	67.68	0.00
16	Haryana	100.00	90.45	28.00
17	Himachal Pradesh	100.00	96.43	78.00
18	Jammu and Kashmir	98.00	41.46	0.00
19	Jharkhand	100.00	84.38	2.00

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Digitization & Aadhaar seeding
(as on 30.06.2015)

Sl.	States/UTs	Ration card digitized (in %)	Aadhaar generated (in %)	Aadhaar seeded (in %)
20	Karnataka	100.00	80.26	5.00
21	Kerala	100.00	95.46	57.00
22	Madhya Pradesh	100.00	72.94	21.00
23	Maharashtra	100.00	83.50	0.00
24	Manipur	92.00	49.47	0.00
25	Meghalaya	0.00	0.83	0.00
26	Mizoram	100.00	28.16	0.00
27	Nagaland	73.00	45.45	0.00
28	Odisha	96.00	67.57	67.00
29	Punjab	79.00	94.64	50.00
30	Rajasthan	97.00	72.16	0.00
31	Sikkim	100.00	93.07	56.00
32	Tamil Nadu	100.00	70.28	0.00
33	Tripura	100.00	91.90	15.00
34	Uttar Pradesh	74.00	59.88	0.00
35	Uttarakhand	84.18	61.44	0.00
36	West Bengal	86.00	69.29	0.00

16

RECENT INITIATIVES - EDIBLE OIL

- States/UT's empowered to impose stock limits up to 30.9.2015, under EC Act .
- Export of edible oil in bulk is prohibited except coconut oil
- Other edible oil in branded consumer pack of up to 5kgs is permitted with MEP of USD 900 per MT w.e.f. 6.2.2015.

PROPOSED ACTION PLAN

1) Focus on availability and prices of essential food items including pulses, edible oils, vegetables & milk.
2) Special focus on vulnerable areas prone to shortages.
3) Augmenting existing storage capacity.
4) Setting up of State level PMC.
5) Engaging State Civil Supplies Corporation's and Cooperatives in distribution.
6) Strong action to prevent hoarding and black marketing.

Welfare schemes : Odisha, AP.
PDS dealer Commission – ↑ Bihar

Thank You

Issue

Gujarat : March, 2015 .
Odisha : Sept. 15 — actual AAY no.
AP : -do- – allocn for SC/ST Hostel.
(Odi
J&K :

Online Public Grievance Redressal System

- **Facility available on portal of 14 States/UTs**
  - Bihar, Chandigarh, Chhattisgarh, Goa, Gujarat, Meghalaya, Mizoram, Orissa, Puducherry, Rajasthan, Sikkim, Tamil Nadu, Uttar Pradesh, West Bengal

- **Issues**
  - Details not available – month-wise grievances received, redressed, pending

21

Toll-Free Number (1967/ 1800 series)

- Total of **28 States/UTs** reported to have implemented toll-free number (1967/ 1800 series)

- Toll-free number displayed on the State portal of **21 States/UTs**
  - Andaman & Nicobar Isl., Bihar, Chandigarh, Chhattisgarh, Dadra & Nagar Haveli, Delhi, Goa, Gujarat, Haryana, Himachal Pradesh, Karnataka, Madhya Pradesh, Maharashtra, Meghalaya, Mizoram, Nagaland, Orissa, Puducherry, Sikkim, Uttar Pradesh and West Bengal

22

Automation of Fair Price Shops (1/5)

- Automation of Fair Price Shops (FPSs) involves:
  - Authentication of beneficiaries;
  - Recording of sales transactions at the FPS and;
  - Uploading of transaction data to the designated servers

- To be undertaken using handheld device (PoS/ Tablets/ Mobile Terminal/ Computer/ Laptop, etc.) at Fair Price Shops

23

Automation of Fair Price Shops (2/5)

- **Technical assistance**
  - Guidelines issued including technical specification for Point of Sales (PoS) devices in May 2015
  - Agreement signed with STQC for certification of PoS
  - NIC ready with mobile 'App' for Android environment; Windows 'App' in final stages
  - Implementation Models available
    - State Govt. purchase & supplies devices to FPS dealers
    - FPS dealers purchase and maintain the Devices
    - State Govt. engages a System Integrator (SI) for complete rollout on turn-key basis

24

Automation of Fair Price Shops (3/5)

BEL and ECIL have reported products which comply with the specification

Financial assistance

- FPS dealers' margins under NFSA approved (@Rs. 87/qtl. / Rs.160/qtl.) which also includes Rs. 17/qtl. for expenditure on purchase and operation of the PoS device at the FPS.
- States informed in April 2015 about pattern of financial assistance

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Automation of Fair Price Shops (4/5)

Present Status

State/UT	Total FPSs	FPSs automated
1. Gujarat	17,000	7,200
2. Karnataka	20,849	3,000
3. Andhra Pradesh	29,000	2,157
4. Chhattisgarh	11293	500
5. Puducherry	505	300
6. Delhi	2500	42
7. Jharkhand	22,316	1,800
8. Odisha	28,831	33
9. Telangana	17,000	18
10. Himachal Pradesh	4,711	2
TOTAL	154,005	15,052

26

Automation of Fair Price Shops (5/5)

- 108 districts (as on 9th June) are already having more than 90% Aadhaar Saturation

  (UIDAI portal - https://data.uidai.gov.in/uiddatacatalog/dataCatalogHome.do)
- States/UTs to undertake FPS automation:
  - 33% of their FPSs by March 2016
  - Should cover districts with high Aadhaar penetration along with other districts as per their priorities
    - Consult UIDAI for districts with highest Aadhaar saturation
  - Provide quarter-wise action plan to DoF&PD
    - Sep 30th, Dec 31st and March 31st
  - Indicate support required from Central Govt.

27

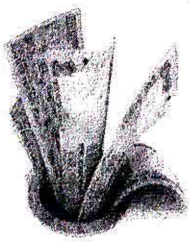
Direct Benefit Transfer (DBT) for Food grains

- DBT/ Cash Transfer
  - In lieu of food grains, subsidy component to be credited to Bank accounts of beneficiaries who can buy food grains from open market
- Prerequisites
  - Complete digitization of ration card / beneficiary database
  - Seeding of Aadhaar and bank account details
- DBT models shared with all States/UTs in Feb 2015; further clarifications issued in May 2015
- Proposed plan
  - Chandigarh, Dadra & Nagar Haveli and Puducherry from September 2015

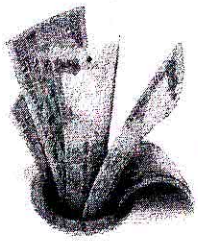
28

CAB for DBT

States prepares beneficiary data & lists. → NIC-HQ performs these activities:- → PFMS validates data and makes payments to the beneficiaries.



- Coordinates between States and PFMS.
- Organizes beneficiary data and maintain logs.
- Verification of Aadhaar and bank accts in the data.



PFMS – Public Financial Management System, Ministry of Finance, Govt. of India.

Other Issues

Lifting under TPDS
Storage

Low offtake under TPDS by States/UTs

Normal total TPDS lifting (upto June, 2015)

- Poor lifting in case of NFSA States:
  - Punjab (14.3%), Bihar (60.1%) and Madhya Pradesh (73.4%)
- Poor lifting in case of Non NFSA States:
  - Poor lifting - Telangana (23.9%), Daman & Diu (18.7%), Puducherry (18.3%)
  - Unsatisfactory lifting - Andhra Pradesh (63.9%), Jharkhand (78.8%) and Tamil Nadu (74%).

31

Low offtake under TPDS by States/UTs

Addl. BPL allocation lifting (upto June, 2015):

- No lifting - Goa, J&K and A&N Islands.
- Poor lifting - Telangana (14.9%), Uttarakhand (31.4%), West Bengal (45%), Dadra & Nagar Haveli (5.2%), Daman & Diu (6.1%) and Puducherry (13.7%)
- Not satisfactory - Andhra Pradesh (70.3%), Arunachal Pradesh (69.6%) and Jharkhand (55.3%)

Addl. APL allocation (upto June, 2015):

- Nil/negligible - Jharkhand, Dadra & Nagar Haveli, Daman & Diu and Puducherry.
- Poor lifting - Odisha (46.5%) and Telangana (7.5%)

32

Non-reporting of lifting by DCP States

- Andhra Pradesh, Bihar, Gujarat, Punjab and Telangana are not reporting monthly offtake figures in time.

- Non-reporting of offtake figures hinders offtake monitoring and review process of the Government.

33

Land Related Issues for Construction

Sl	State	Location	Capacity to be created (MT)	Issues
1	Himachal Pradesh	(i) Nahan	1640	State Government is required to allot land to FCI for construction of godowns under Plan Scheme. In place of Mandi, extra capacity can be created at Palampur if sufficient land is available.
		(ii) Mandi	4200	
		(iii) Palampur	2240	
2	Goa	Marmugao	20,000	FCI wants to construct a godown under Plan Scheme, as it does not have any godown in the state. Site provided by State Government at Survey No.73 is not found suitable for construction of foodgrain storage godown by FCI. Earlier site at Survey No.64 was found suitable but not cleared by the Town Planning Department of Goa. Hence suitable land is to be provided by the State Government at the earliest.
3	Kerala	Oorakam	20,000	FCI proposes to construct 20,000 MT Capacity godowns at Oorakam. The land indentified by the State Government is leased to INKAL. Land may be leased to FCI through the State Government.
4	Assam	(i) Kokrajhar (ii) Silchar (iii)Bongaigaon	15,000 1,670 35,000	The State Government is required to expedite the identification/acquisition of suitable land for construction of storage godowns by FCI at these places.

Land Related Issues for Construction of Storage Godowns by FCI

Sl	State	Location	Capacity to be Created (MT)	Issues
5	Manipur	(i) Tamenglong	5,000	Land cost for construction of godowns was deposited on 8.2.2013 but acquisition of land is stuck up due to litigation by land owners. The State Government is required to complete land acquisition process at the earliest.
		(ii) Chandel	2,500	Land identified is found suitable for construction of godowns. The State Government is required to intimate the cost to FCI and ensure early acquisition.
6	Sikkim	Jorthang	3,500	The State Government has withdrawn the land given to FCI for construction of godowns. Hence it is necessary to identify and acquire suitable land at alternate site.
7	Tripura	Jirania (with siding)	20,000	The State Government is required to expedite handing over of land to FCI, as cost has been deposited long ago in June, 2013.
8	Arunachal Pradesh	(i) Aalo (ii) Roing	1,670 1,120	The State Government is required to provide the suitable land for construction of storage godowns by FCI.
9	Mizoram	Sairang	15,000	Identified land not found suitable by FCI. The State Government is required to provide alternate suitable land to FCI.

Land related issues for construction of Storage Godowns in Bihar under PEG Scheme

Sl	Location	Capacity to be Created (MT)	Date of LoM	Issues
1	Motihari	15000	23.09.13	NOC not issued by Collector
2	Gopalganj	10,000	25.11.13	NOC not issued by Collector
3	Hajipur	15,000	25.11.13	NOC received for 1.98 acres of land, rest 3.75 acre under process
4	Madhepura	5000	25.11.13	NOC not issued by Collector
5	Sitamarhi	25000	23.09.13	NOC not issued by Collector

Land related issues for construction of Storage Godowns in Bihar under PEG Scheme

Sl	Location	Capacity to be Created (MT)	Date of LoM	Issues
6	Siwan	10000	23.05.14	NOC not issued by Collector
7	Darbhanga	15000	23.05.14	NOC not issued by Collector
8	Jainagar	30000	23.05.14	NOC not issued by Collector
9	Chapra	5000	16.02.15	NOC not issued by Collector
10	Samastipur	10000	16.02.15	NOC not issued by Collector
	Total	1,40,000		

Land Related Issues for Construction of Storage Godowns by CWC in Bihar

Sl	Location	Capacity to be Created (MT)	Land Area	Issues
1	Supaul	15000	6 acres	Suitable land selected in the APMC defunct yard. Permission from State Government is still awaited for signing of MOU and handing over of land.
2	Madhepura	10000	4 acres	
3	Chakia bazaar	10000	4.53 acres	
4	Hajipur	10000	3.5 acres	

Land related issues for construction of Storage Godowns by CWC in Jharkhand

Sl	Location	Capacity to be Created (MT)	Land Area	Issues
1	Girdih	10000	5 acres	Land is not suitable as the same requires 3.5 km long approach road. Alternate land is to be provided by State Government.
2	Girdih	10000	5 acres	Land is not suitable as the same requires 1.5 km long approach road. Alternate land is to be provided by State Government.
3	Dumka	10000	5 acres	Land selected found suitable, however possession yet to be handed over.
4	Sahebganj	10000	5 acres	Land selected found suitable, however possession yet to be handed over.

Proforma

S.No.	Questions on steps to be taken by States	Answers
1	Whether guidelines for identification of eligible households within population to be covered under TPDS have been finalized and notified?	
2	Whether identification of households for which foodgrains are being sought, was done in accordance with guidelines and list of eligible households placed in public domain and put on website?	
3	Whether ration cards under NFSA have incorporated the provisions relating to per unit allocation and empowerment of women (Section 13 of NFSA).	
4	Whether the State is making doorstep delivery of foodgrains?	
5	Whether sufficient and scientific storage capacity has been created at various levels in the State for storage of foodgrains under NFSA?	
6	Whether Component-I of the Plan scheme on end-to-end Computerisation of TPDS operations has been completed.	
7	Whether internal grievance redressal mechanism, including call centres, help lines, designation of nodal officers, etc. have been put in place as per Section 14 of NFSA?	
8	Whether District Grievance Redressal Officer (DGRO) has been appointed/designated for each district as per Section 15 of NFSA?	
9	Whether State Food Commission has been set up/designated as per Sections 16 to 18 of NFSA?	
10	In case, answer to the above questions (1 to 9) is in affirmative, the date from which NFSA will be implemented.	

States using SIMS application

STAKEHOLDER IDENTITY MANAGEMENT SYSTEM

हितधारक पहचान प्रबंधन प्रणाली

States where SIMS have been implemented or test link generated for user testing.

20/36 States & UTs use SIMS

5622 State Godowns digitized

States using SIMS Application	
Assam	Andhra Pradesh
Delhi	Dadar & Nagar Haveli
Goa	Daman & Diu
Haryana	Puducherry
Himachal Pradesh	Kerala
Jammu & Kashmir	Punjab
Lakshadweep	Uttar Pradesh
Maharashtra	Nagaland
Manipur	Sikkim
Meghalaya	Tripura
Mizoram	Tamil Nadu

O.

3.4/ 5.2L FPS digitized

States using ePDS Application

Electronic PUBLIC DISTRIBUTION SYSTEM

इलेक्ट्रॉनिक सार्वजनिक वितरण प्रणाली

States where ePDS has been implemented or test link generated for user testing.

15 States using ePDS

Fully Configured

States using ePDS Applications	
Bihar	Lakshwadeep
Delhi	Dadar & Nagar Haveli
Goa	Daman & Diu
Haryana	Puducherry
J & K	Maharashtra
Chandigarh	Sikkim
Uttrakhand	Andhra Pradesh
Telengana	

Complete Ration Card lifecycle Mgmt.

Creates dynamic MIS reports

States using FEAST application

FOOD AND ESSENTIAL COMMODITIES ASSURANCE SECURITY TARGET

भोजन और आवश्यक वस्तु आश्वासन सुरक्षा लक्ष्य

States where FEAST has been implemented or test link generated for user testing.

Online Allocation

4 States have gone live

States using FEAST Application	
Assam	Andhra Pradesh
Delhi	Dadar & Nagar Haveli
Goa	Daman & Diu
Haryana	Puducherry
Himachal Pradesh	Kerala
Jammu & Kashmir	Uttrakhand
Lakshadweep	Uttar Pradesh
Maharashtra	Nagaland
Tamil Nadu	Sikkim

Supply Chain Mgmt.

16 States have taken test instance

Annex III

i) **Andhra Pradesh** :

Regarding end to end Computerization status in the State, it was informed that all the important aspects of the computerization scheme have been implemented by them. They are making online allocation, have installed Vehicle Tracking System, which includes use of GPS. Under this system, in case of any deviation from the assigned route, SMS alerts are generated. He mentioned that 98% of the Aadhaar seeding of the beneficiaries has been completed. As regards automation of FPS, in the first phase,7,500 FPSs have been covered, and the State Govt. has decided to cover all the FPSs in the second phase.

ii) **Madhya Pradesh:**

a. State Govt. has shortlisted agency(ies) for automating all 22,165 FPSs in the State by year-end. The process of selection of agencies was started in Aug 2014 and took almost a year to complete.
b. As regards price of Point of Sale devices, it was informed that agencies were charging @Rs.1,200/- per month per device.
c. State Govt. has chosen the System Integrator (SI) model wherein the agencies would be responsible for providing the PoS/Mobile devices at the FPSs and ensure upkeep of the same at the FPS. Payment will be made to the SI based on actual issuance of foodgrains using PoS and the whole process is Service Level Agreement (SLA) driven.
d. If any FPS dealer logs a complaint regarding non-working of PoS/Mobile terminal, the SI is required to resolve the issue within 48 hours failing which State Govt. would penalize the respective agencies.
e. As there could also be possibility that FPS dealers may not like to buy or operate the PoS as it might be against their interest, SI model was found more appropriate.
f. He also shared that FPS automation would have three options:

    i. Urban areas (Nagar Nigams with >90% Aadhaar coverage) – complete portability using Aadhaar based authentication
    ii. Nagar Nigams with no option of portability for beneficiaries
    iii. Transactions on the offline basis (where there are connectivity issues or low Aadhaar coverage) transactions are recorded in the PoS device which are installed at FPSs. Every week FPS dealers would bring the device to the nearest food supply-office to transfer the data.

iii) **Gujarat** :

a. Biometric based ration cards have been issued to beneficiaries and most of the activities under TPDS have been computerized. Ration card data is in the process of being linked with NREGA, Mobile and bank accounts, numbers, Aadhaar, etc.
b. FPS dealers in the State have been encouraged to purchase PoS devices/ computers for their FPSs in order to undertake electronic transactions and authentication of beneficiaries. Under the State's Vajpayee Bankable Yojana, Rs. 10,000 as subsidy for purchase of PoS/computer is provided to the FPS dealers.
c. As regards revenue, FPS dealers are given Rs. 5/- per transaction for using PoS devices. On an average, there are 600-800 cards per FPSs in the State which lead to about Rs.3,000 - 4,000/- monthly income.
d. 9,420 out of total 17,302 FPSs in the State were already automated till June 2015 and 85% of the distribution in the State is computerized.
e. State Govt. thoroughly checks FPSs having lowest online transactions (bottom 5) and take necessary action in case of non-compliance.

iv) **Delhi** :

a. Ration card application form has been modified by including Aadhaar number details. Thereafter, the database has been cleansed thoroughly and around 15 lakh duplicate/ bogus cards were removed.
b. Since April 2015, Delhi has automated 42 FPSs using Aadhaar authentication in the State wherein benefits of the portability are also provided.