No. G-20013/2/2011-NFSA (Pt.)
Government of India
Ministry of Consumer Affairs, Food & Public Distribution
Department of Food & Public Distribution

Room No. 283, Krishi Bhwan, New Delhi
22 January 2014

To
Principal Secretary/Secretary
Department of Food and Civil Supplies
All States/UTs.

Subject: Guidelines for providing assistance to States/Union Territories for non-building assets for State Food Commissions – A component under the 12th Plan UmbrellaScheme on “Strengthening of PDS & Capacity Building, Quality Control, Consultancies & Research”.

...As you are aware, the National Food Security Act, 2013 has been notified on 10th September, 2013. It inter alia provides that every State Government shall, by notification, constitute a State Food Commission for the purpose of monitoring and review of implementation of the Act. The Act also provides that the State Government, if considers it necessary, by notification, designate any statutory commission or a body to exercise the powers and perform the functions of the State Commission. It further provides that two or more States may have a joint State Food Commission with the approval of the Central Government.

2. It has been decided by Government of India to provide one time financial assistance to a State/Union Territory (UT) for non building assets for State Food Commission, in case that State/UT decides to set up State Food Commission on exclusive basis. Said assistance would be provided under the component, “Assistance to States/UTs for non-building assets for State Food Commissions” under the 12th Plan Umbrella Scheme of the Department, namely, “Strengthening of PDS & Capacity Building, Quality Control, Consultancies & Research”. Guidelines for assistance under the above component are enclosed.

3. It is requested that the eligible States/UTs (i.e. which set up State Food Commission in their State/UT on exclusive basis) may send their proposal for central assistance as per the enclosed guidelines. The proposal may be sent from the next financial year (2014-15) onwards. The proposal may be sent in the beginning of the financial year (preferably by 30 June) to ensure timely release and utilization of the funds.

Encl: As Above

Copy to:
1. PS to MOS (I/C) for CA, F & PD
2. PPS to Secretary (F&PD)
3. PS to AS&FA
4. PS to JS (BP&PD)
5. PS to JS (Admn.)

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GUIDELINES FOR STATES/UTs

1. Background

1.1 Section 16 of the National Food Security Act, 2013 (NFSA), notified on 10.09.2013 provides that every State Government shall, by notification, constitute a State Food Commission for the purpose of monitoring and review of implementation of the Act. State Food Commission shall consist of a Chairperson, five other Members and a Member-Secretary with associated administrative and technical staff. The Act provides that the State Government shall provide for salary and allowances of Chairperson, other Members, Member-Secretary, support staff and other administrative expenses required for proper functioning of the State Commission. Section 18 of the Act provides that the State Government, if considers it necessary, by notification, designate any statutory commission or a body to exercise the powers and perform the functions of the State Commission. Section 19 provides that two or more States may have a joint State Food Commission with the approval of the Central Government.

2. Scheme

2.1 It has been decided that in case a State decides to set up State Food Commission on exclusive basis, Central Government will provide one time financial assistance for non building assets for State Food Commission under the 12th Plan Umbrella Scheme on “Strengthening of PDS & Capacity Building, Quality Control, Consultancies & Research”.

3. Admissible components for assistance under the scheme

3.1 The assistance would be for non-building assets such as furniture, office equipment, computers etc. These may include computers, air-conditioners,
photocopiers, Fax machines, telephones, EPABX system, tables, chairs, storage units etc.

3.2 No assistance will be provided for any construction activity or any recurring expenses.

4. **Conditions for assistance under the scheme**

4.1 Only those States/UTs will be eligible for financial assistance which have constituted the State Food Commission, as per provisions of NFSA, on an exclusive basis and created posts of necessary staff for proper functioning.

4.2 Notification constituting the State Food Commission must be enclosed with the proposal for central assistance.

4.3 Maximum financial assistance under the scheme is Rs. 50 lakh for a State/UT.

4.4 Proposal for assistance must be prepared in consultation with the State Food Commission.

5. **Proposal for Central Assistance**

5.1 Detailed proposal including justification for items for which assistance is sought shall be prepared in consultation with the State Food Commission constituted.

5.2 Complete details of the posts created, which shall include name and number of posts, shall be included in the proposal.

6. **Release of Central assistance**

6.1 The proposal will be considered by a Committee in the Department of Food and Public Distribution under the Chairmanship of Additional Secretary and Financial Adviser.

6.2 The assistance would be released in two instalments on approval of the proposal by the Committee. 75% would be released as 1st instalment and
after submission of Utilization Certificate, 2\textsuperscript{nd} instalment of 25\% would be released.

7. \textbf{Utilization Certificate}

7.1 A certificate of actual utilization of the assistance received for the purpose for which it was sanctioned shall be submitted in Form GFR 19-A provided in the General Financial Rules, 2005.

7.2 The Utilization Certificate should be submitted within twelve months of the closure of the financial year.

8. \textbf{Disposal of the assets created out of financial assistance}

8.1 Assets acquired wholly or substantially out of financial assistance given under the instant scheme, except those declared as obsolete and unserviceable or condemned in accordance with the procedure laid down in the General Financial Rules, shall not be disposed of without obtaining the prior approval of this Department.