PRS LEGISLATIVE RESEARCH

The government promulgated the National Food Security Ordinance, 2013 on July 5, 2013. The table below compares provisions of the Ordinance with the National Food Security Bill, 2011 (as introduced on December 22, 2011) and the recommendations of the Standing Committee. Key features of the Ordinance include: (i) categorisation of beneficiaries into eligible households, which include priority and Antyodaya Anna Yojana groups with different entitlements from the Bill; (ii) empowering state governments to specify guidelines for the identification of beneficiaries in their states; and (iii) the provision of financial assistance by the centre to states for the transport of foodgrains.

National Food Security Bill, 2011	Standing Committee Recommendations	Ordinance 2013
	Clause 1(3): Preparedness of States/Union Territories	
The Act shall come into force on a date notified by the central government and different dates may be appointed for different provisions of this Act.	States and union territories (UTs) should be provided a reasonable time limit, such as one year, at the end of which the Act shall come into force. A state/UT can implement the Act earlier than the stipulated time. The centre should also create guidelines to determine the preparedness of a state/UT to implement the Act.	The Ordinance shall come into force at once.
	Clause 2(6): Definition of foodgrains	
Foodgrains refer to rice, wheat, coarse grains or any of their combinations.	The centre should prescribe minimum quality standards for foodgrains.	The definition of foodgrains includes quality norms to be determined by the central government.
	Clause 2(17): Priority and general households	
Households to be identified under the Act.	Recommends collapsing priority and general categories into a uniform 'included' category.	Removes general households from this definition, replaced with 'eligible households', which includes households covered under the priority and the Antodaya Anna Yojana (AAY) groups. AAY is defined under the scheme launched by the central government on December 25, 2000.
Cla	use 3(1)(2), 8, Schedule I: Provision for food security and prices of fo	podgrains
Priority: 7 kg of foodgrains/person/month (at Rs 3/kg for rice, Rs 2/kg for wheat, Re 1/kg for coarse grains).	Uniform category: Priority, general and other categories shall be collapsed into 'included' and 'excluded' categories. Included: should be provided 5 kg of foodgrains at uniform	Eligible households: Priority: 5 kg of foodgrains/person/month (Rs 3/kg for rice, Rs 2/kg for wheat, Re 1/kg for coarse grains).
General: at least 3 kg of foodgrain/person/month (at 50% of MSP).	subsidised prices. The government may review the entitlement and prices periodically. The included population should extend	General, destitute, homeless, starving: Clauses deleted.
Destitute: at least one free meal every day. Homeless: affordable meals at community	to 75% of the rural and 50% of the urban population.	Antodaya Anna Yojana (AAY): 35 kg of foodgrains/household/month (Rs 3/kg for rice, Rs 2/kg

PRS Legislative Research ■ Institute for Policy Research Studies

July 24, 2013

Sakshi Balani

sakshi@prsindia.org

Tel: (011) 43434035-36, 23234801-02 www.prsindia.org

6-14 years: one free mid-day meal/day in all schools run by local bodies, government and government aided schools, up to Class VIII.	free mid-day meal. Adolescent girls: age appropriate meals in the form of hot cooked meals or take-home rations.	Food quality provisions of the Food Safety and Standards Act, 2006 shall apply to meals.
through the local anganwadi.	2-16 years (or the age when they start going to school): one	6-14 years or up to Class VIII: No change.
6 months-6 years: free, age appropriate meals	< 2 years: need not be provided free meals.	6 months-6 years: No provision.
	Clause 5(1): Nutritional support to children	
are in receipt of similar benefits under any law shall not be entitled to the above benefits.		Food quality provisions of the Food Safety and Standards Act, 2006 shall apply to meals.
Pregnant women employed with PSUs: Pregnant women and lactating mothers in regular employment with the central or state governments or public sector undertakings (PSUs) or those who	Rs 1,000 should also be indicated in the Schedule and not in the body of the Bill so that it can be revised.	Pregnant women employed with PSUs: Pregnant women employed by the central or state governments or PSUs shall receive one free meal every day but not be entitled to the maternity benefit of Rs 6,000.
anganwadi + maternity benefit of Rs 1,000 per month for 6 months to be paid in instalments prescribed by the central government.	The maternity benefit shall be admissible only up to the birth of the second child to stabilise the population. The amount of	Entitlements for pregnant women shall be subject to schemes framed by the central government.
Pregnant women and lactating mothers: One free meal every day during pregnancy and for 6 months after child birth, through the local	Pregnant women: maternity benefit of Rs 1,000 per month after 3 months into pregnancy + 5 kg of foodgrains/month during pregnancy and till 2 years after child birth.	Pregnant women and lactating mothers: One free meal every day + maternity benefit of at least Rs 6,000 to be paid in instalments.
Clause 4(a)(l	b): Provision of free meal to women during pregnancy and six montl	ns after child birth
28% of the urban population will be priority (the rest will be general).		The central government shall specify the extent of households to receive AAY entitlements in each state.
75% of the rural and up to 50% of the urban population. Of these, at least 46% of the rural and		Extent of coverage: no change.
Extent of coverage: The Bill shall cover up to		State governments may provide wheat flour in lieu of the entitled foodgrains to eligible households.
		(ii) The derived MSP for rice.
		(i) The MSP for wheat and coarse grains; and
		Prices of foodgrains shall be as stated above for the first 3 years, after which, they may be revised by the centre, but shall not exceed:
kitchens.		for wheat, Re 1/kg for coarse grains).

	Clauses 2(3),(9),(24), 8-12: Definitions and entitlements of special graduates	oups
Destitute persons: one free meal every day. Homeless persons: affordable meals.	Uniform category: All categories shall be collapsed into 'included' and 'excluded' categories.	Clauses deleted.
Migrants and families: can claim entitlements at the place they currently reside.		
Emergency or disaster affected households: Two free meals up to three months.		
Starving persons: Two free meals every day for six months.		
	Clause 14 and 15: Identification of priority and general household	ds
State-wise coverage: The centre shall determine the percentage of people in each state that will be covered under the Bill.	State-wise coverage: The centre should use 2011 population estimates to determine the people to be covered in each state.	State-wise coverage: The centre shall use population estimates as per the census to determine the total number of persons to be covered in each state.
Guidelines for identification: The centre shall also prescribe guidelines for their identification.	Guidelines for identification: The Bill should clearly define exclusion criteria.	Guidelines for identification of households: Changed for priority households.
		Priority: State governments, and not the centre, shall specify guidelines for identification.
Identification of households: States shall identify	Identification of households : The centre should coordinate with states to identify households and ensure that deserving persons are not excluded from the coverage of the Bill.	AAY: To be identified as per scheme guidelines.
persons: (i) belonging to priority and general households, and (ii) suffering from malnutrition, starvation, destitution and homelessness.		Identification of households : State governments should identify eligible households within 180 days o the Ordinance. Until then, states will continue to
Revision of foodgrain allocations: The allocation of foodgrains to eligible households shall be revised annually.	Revision of foodgrain allocations: Allocation of foodgrains to states/UTs should be reviewed every 10 years. In case implementation of the Bill results in decreased allocation to a state/UT (than what is currently being allocated to it), the centre could revise its allocation through an Executive Order.	receive allocations from the centre under TPDS.
		Revision of foodgrain allocations: The amendments remove the requirement for the annual revision of allocation to eligible households. As per amendment to clause 14, revisions will be based on the relevant census. This implies a revision once every 10 years.
	Clause 18(2): Reforms in the Targeted Public Distribution Syster	m
The central and state governments shall undertake reforms of the TPDS, including: (a) doorstep delivery of foodgrains to TPDS outlets; (b) use	Norms for quality of foodgrains: The Bill should provide for the central government to prescribe minimum quality standards for foodgrains. State Food Commissions should be	No change.

of information technology; (c) introducing schemes such as cash transfer and food coupons in lieu of foodgrains; (d) transparency of records; (e) preference to public bodies in licensing of fair price shops (FPS) and their management by women; (f) diversification of commodities offered; (g) support to local public distribution models and grain banks; and (h) leveraging Aadhaar.	empowered to check the quality of foodgrains before accepting its delivery from the central government. End consumers should also be given the right to refuse grains which are below the prescribed minimum quality standards.	
	Provision of pulses, sugar, millets: Pulses, oil, fortified atta, sugar and millets should be provided in addition to foodgrains under TPDS.	
	Application of information and communication technology tools: Specific IT reforms should be implemented, for e.g. CCTV cameras in godowns, use of internet, and GPS tracking of vehicles carrying foodgrains.	
	Cash transfers and food coupons: Cash transfers should not be introduced at this time. Before introducing direct cash transfers in lieu of food entitlements, the government should ensure that adequate banking infrastructure is made accessible throughout the country.	
	Clauses 20, 21(1)(4)(5): Grievance Redressal Mechanism	
DGRO: A District Grievance Redressal Officer DGRO), appointed by the state government, shall enforce entitlements and hear complaints regarding the distribution of foodgrains or meals.		DGRO: Each state government, and not the centre, will decide the qualifications for the appointment of the DGRO etc.
The centre will decide the qualifications for ppointment of DGRO, time within which a DGRO shall hear complaints and manner and time within which appeals must be filed against the order of a DGRO.	Cost-sharing: States should be consulted for the sharing of expenses between the centre and states for the establishment of redressal mechanisms.	Cost-sharing: State governments shall set up grievance redressal mechanisms without central assistance.
Grievance redressal mechanism: The central and state governments shall put in place an internal grievance redressal mechanism which may include call centres, help lines, designation of modal officers or other mechanisms.	Grievance redressal at block level: The Bill should also create a grievance redressal mechanism at the block/panchayat level. Elected women representatives should be part of this structure.	
	Clause 22: State Food Commission	
Each state government shall constitute a State	The State Commission should have at least one representative	Every state government <i>may</i> , <i>by notification</i> ,

Food Commission for monitoring and reviewing	from the farmers' community.	constitute a State Food Commission.
implementation of the Bill. The State Commission shall consist of a chairperson, five members, and a member-secretary. Among these, at least two should be women and two should belong to the Scheduled		While inquiring into complaints regarding the violation of entitlements and appeals against orders of the DGRO, the State Commission shall have powers of a civil court and be empowered to forward any case to a Magistrate.
Castes and Scheduled Tribes.		The member-secretary should be an officer of the state government at the rank of Joint Secretary or higher.
Clause 23	3A: Designation of any Commission or body to function as State Foo	od Commission
No provision.	States/UTs opposed to bearing the cost for establishing a new grievance redressal mechanism could use existing machinery as Grievance Redressal Officers.	Inserts a new clause allowing state governments to notify any statutory commission or body to exercise the powers of the State Food Commission.
	Clauses 2(13), 26 and 28: National Commission	
The centre shall constitute a National Commission to perform the following functions: (i) monitor and evaluate implementation of the Act, (ii) inquire into violations of entitlements, (iii) advise the centre and states, (iv) hear appeals against the orders of the State Commissions, and (v) issue requisite guidelines for training etc.	No recommendation.	Clauses deleted.
Clause	e 30 and 32(2): Obligations of central/state governments to ensure for	ood security
Obligation on states: State governments shall deliver foodgrains from state depots to the doorstep of each ration shop, and create and maintain scientific storage facilities at the state, district and block levels.	Costs borne by states: The Finance Commission should be consulted regarding the additional expenditure required to be borne by the state governments/UTs. The centre may provide financial assistance to states/UTs for the creation of storage facilities.	Cost-sharing: The centre shall provide assistance to state governments for meeting their expenditure on intra-state movement, handling of foodgrains and margins paid to fair price shop dealers. The manner or providing assistance to state governments shall be specified in the rules.
Obligations on centre: The centre shall transport foodgrains to state depots, and create and maintain modern and scientific storage facilities.	Facilitating movement of foodgrains: The Department should regularly discuss allocation of rakes with the Ministry of Railways, such that movement of foodgrains is not inhibited. In addition to transport by rail, the Food Corporation of India may also move foodgrains by road to ensure entitlements reach beneficiaries.	

	Clause 33 and 34: Obligations of local authorities	
Responsible for the implementation of the Act in their respective areas. State governments may notify additional responsibilities to local authorities for the implementation of TPDS and other schemes.	The term 'local authority' is vague and should be replaced by 'local institutions of self government'. An annexure to the Bill should list the functions of local authorities.	No change.
	Gram Sabha: State governments should voluntarily disclose information to the gram sabha at least twice a year regarding: (i) the availability of foodgrains, (ii) inclusion or exclusion of beneficiaries, (iii) the appointment and termination of fair price shops, (iv) quantity of foodgrains received and distributed, and (v) other relevant information.	
	State provision of funds to local bodies: State governments should provide funds to institutions of local self government to enable them to perform their responsibilities.	
	Clause 38 and 39: Provisions for advancing food security	
Vulnerable groups: The central and state governments shall give special focus to the needs	Local produce: Special emphasis should be given to local produce of these areas such as millets, ragi, madhuva, etc.	No change.
of vulnerable groups especially in remote, hill, ribal, or difficult to access areas, areas.	Other details: The Schedule needs to detail the course of action to be followed and the time schedule within which the	
Objectives in Schedule III: The central and state governments and local authorities shall strive to progressively realise the objectives specified in Schedule III. These objectives include the revitalisation of agriculture; procurement, storage and movement related interventions; and access to safe and adequate drinking water and sanitation.	specified objectives will be achieved. Additionally, the government should ensure proper implementation of related welfare schemes such as the Rajiv Gandhi Drinking Water Mission, Mahatma Gandhi Total Sanitation Programme, and the Rural and Urban Health Missions.	
	The Bill should also be modified to ensure livelihood security to farmers through remunerative prices, access to inputs, credit, irrigation, power, crop insurance, etc.	
	Clause 40: Other welfare schemes	
The provisions of the Act shall not preclude the central or state governments from continuing or formulating other food based welfare schemes.	Regular independent evaluation of TPDS and nutritional outcomes should be used to measure achievements. The Bill should include provisions for the centre to revise the Bill based on impact assessments carried out every 5 years.	State governments may, from their own resources, continue with or formulate food or nutrition based plans or schemes providing more benefits than those provided under this Act.

	Clause 47: Power of central government to make	rules
The centre can make rules on matters that include: (i) schemes for providing benefits to pregnant women and lactating mothers, (ii) time and manner of payment of food security allowance, (iii) guidelines for identification of priority and general households, including exclusion criteria, and (iv) manner in which funds shall be provided to states in case of short supply of foodgrains.	No recommendation.	In addition, the centre can make rules on schemes such as cash transfers and food coupons for targeted beneficiaries in lieu of their foodgrain entitlements.
	Clause 52: Force Majeure	
The central and state governments shall not be liable for claims by persons covered under the Bill for failure to supply foodgrains or meals in force majeure conditions, such as, war, flood, drought, fire, cyclone, earthquake, or any Act of God.	This clause should be deleted.	The centre can consult with the Planning Commission when it needs to declare that any condition mentioned in this clause has actually arisen.

DISCLAIMER: This document is being furnished to you for your information. You may choose to reproduce or redistribute this report for non-commercial purposes in part or in full to any other person with due acknowledgement of PRS Legislative Research ("PRS"). The opinions expressed herein are entirely those of the author(s). PRS makes every effort to use reliable and comprehensive information, but PRS does not represent that the contents of the report are accurate or complete. PRS is an independent, not-for-profit group. This document has been prepared without regard to the objectives or opinions of those who may receive it.