

No. F.1-15/2009-Desk(MDM)
Government of India
Ministry of Human Resource Development
Department of School Education & Literacy
Mid Day Meal Division

Shastri Bhawan, New Delhi.
Dated the 10th February, 2010.

To,

Secretaries and Principal Secretaries of Nodal Department dealing with MDM in all States/UTs

Subject: Guidelines for decentralisation of payment of cost of foodgrains to FCI at District level under Mid Day Meal Scheme.

Sir / Madam,

Under the National Programme of Mid Day Meal in Schools, free foodgrains are supplied to Districts @ 100 gms. and @ 150 gms. per child per day for children studying in schools at primary (class I to V) stage and Upper Primary (class VI-VIII) stage respectively. Local Depots of the Food Corporation of India (FCI) supply the foodgrains and centralized payment of the cost of foodgrains is made to the FCI by the Government of India without obtaining confirmation of lifting from the States/UTs as the confirmation process was taking a lot of time and causing undue hardship to the FCI. Centralized payment without confirmation is prone to delay and risk.

Now, the Government of India has decided to decentralize the payment of cost of foodgrains under the Mid Day Meal Scheme to the district level from the next financial year i.e. 2010-11 with effect from 1.4.2010. The procedure to be followed for supply of foodgrains by FCI and payment to be made to FCI towards cost of foodgrains supplied under the scheme is as under:-

2. Allocation of Foodgrains

- 2.1 Under the scheme, the foodgrains will be allocated biannually by the Department of School Education and Literacy with the concurrence of Department of Food and Public Distribution separately for Primary and Upper Primary level.
- 2.2 The first six monthly allocation will be made in the 1st week of February of the previous financial year on the basis of number of children and number of school days approved by Programme Approval Board of Mid Day Meal Scheme (MDM-PAB) for the previous year.

- 2.3 The second and final allocation of foodgrains will be made in the first week of August after deducting the unspent balance available with the States/UTs out of foodgrains allocated during the previous year and also the allocation made for the first six months from the annual allocation approved by MDM-PAB for the current year.
- 2.4 To ensure timely final allocation of foodgrains by Government of India, the States/UTs will send the utilisation certificate of the foodgrains supplied under the scheme during the previous year latest by 30th June. In the utilisation certificate, only the quantity actually consumed at the school/cooking agency level will be indicated as utilized. Whatever remains in their stores or godowns at school, cooking agency, Block and District levels will be shown as unspent balance.
- 2.5 On receiving allocation from the Government of India, the States/UTs will make district-wise allocation of the foodgrains, separately for primary and upper primary classes, in accordance with the number of children and number of working days approved for that particular district.
- 2.6 District administration will ensure that every consuming unit maintains a buffer stock of foodgrains required for a month to avoid disruption due to unforeseen exigencies.

3 Supply/Lifting of Good Quality of Foodgrains

- 3.1 It will be the responsibility of the FCI to ensure continuous availability of adequate quantity of good quality of foodgrains, which will be in any case not less than Fair Average Quality (FAQ), in its Depots. FCI will appoint a Nodal Officer for each State to take care of various problems in supply of foodgrains under the scheme.
- 3.2 The District administration, on receiving the allocation from the State/ UT will send a schedule (periodicity and date/week) of lifting of foodgrains to the local FCI Depot depending on its requirement, transportation convenience and storage capacity. Districts can lift foodgrains on monthly, bimonthly or quarterly basis as indicated in their schedule.
- 3.3 The FCI will allow lifting of foodgrains as per the allocation of the State Government and lifting schedule provided by the District administration starting from 1st day of the month preceding the allocation quarter and upto 25th of the last month of the allocation quarter. For example, the validity period for lifting of foodgrains for the quarter beginning April, 2010 will be from 1st March, 2010 to 25th of June, 2010.

- 3.4 FCI will not make any modification in the quantity to be lifted. This has already been clarified by the Department of Food & Public Distribution vide letter No.4-3/2008-9-BP-II dated 9.9.2009 and by FCI vide their letter No. 26/1/2009-10/MDM-S-IX/Vol. II dated 16.11.2009 to all field officers of the FCI.
- 3.5 The District administration and the FCI Depot will ensure that no lifting is done in excess of the allocated quantity.
- 3.6 The District Collector/CEO of Zila Panchayat will ensure that foodgrains of at least FAQ are received from FCI Depot after joint inspection by a team consisting of FCI official and the nominee of the Collector and/or Chief Executive Officer, District Panchayat and confirmation by them that the grain conforms to at least FAQ norms. The consignee receipt (in triplicate) should be jointly signed by the in charge of FCI Depot and nominee of District Collector. One copy of the receipt will be retained by the lifting official and another one is sent to District level paying authority for its record.
- 3.7 The sample (in triplicate) of stocks proposed to be lifted will be drawn jointly in the presence of the representatives of the State Government and the FCI and the sample slips will be jointly signed and sealed. One such sealed sample will be given to State Government representative, one will be sent to FCI District Office and one will be retained at the depot.
- 3.8 Samples of lifted foodgrains shall be retained for 3 months in token of quality of grains received from FCI. In case any complaint of low quality of foodgrains is received within this period, these samples can be used to ascertain the veracity of the complaint.
- 3.9 The process followed at the time of receipt of foodgrains from FCI depots should be repeated at each level till the foodgrains reach the end user to ensure that only good quality foodgrains is delivered for consumption by children.

4 Payment of Cost of foodgrains

- 4.1 FCI will raise the bills pertaining to supply of foodgrains during a month to the District administration by the 10th day of the next month in the prescribed format and the District administration will ensure payment within 20 days.
- 4.2 State Government will nominate an officer who will be responsible for receiving the bills submitted by FCI and ensuring payment to it in time. FCI will intimate its account number and mode of receiving of payment to the nodal officer, who should be made responsible for transferring money/depositing cheque in that account.

- 4.3 For the purpose of making payment to FCI in time, the States/UTs will make adequate provision in its budget keeping in view the annual requirement of funds for this purpose and release the same in advance to the districts. The Govt. of India shall also release the funds to States/UTs in advance as soon as the budget is passed.
- 4.4 Under the present system, funds are released by the Central Government to the Consolidated Fund of the States/UTs. Thereafter, it is channelized to Districts in the Treasury mode either through the Directorate or directly by State/UT. It has been observed that in several States/UTs, it takes around 2-3 months for the funds to reach the district level. In such an event, payment to FCI may get delayed for want of funds leading to disruption in the scheme. In order to avoid such a situation, State Government should authorize the district administration to draw money under the relevant Treasury Rule (usually TR-27) to make payment to FCI for supply of foodgrains under MDM Scheme in case no budget is available. This payment will be adjusted after receipt of budget by the districts.

5. Monitoring System

- 5.1 A monthly meeting will be held by the District administration with FCI District Manager or his representative and all other concerned officials in the last week of the month to resolve all the issues pertaining to lifting, quality of foodgrains and payment and submit a report to the State Headquarters by 7th of the next month.
- 5.2 States/UTs will monitor the lifting, payment and quantity of foodgrains sent to School/Cooking Agency on the 10th of every month in a meeting with the State nodal officer of the FCI and send a report to this Department, in the proforma appended at Annexure-I, by the 15th of every month.
6. All States/UTs are requested to issue necessary instructions in the light of the above, endorse a copy of the same to this Ministry for our records, and monitor strict compliance of these instructions on monthly basis.

Yours faithfully,



(Anant Kumar Singh)
Joint Secretary to the Govt. of India
Tel No. 011-23387648

Monthly Report for supply of foodgrains and payment made to FCI under Mid Day Meal Scheme

Name of the State/UT _____

Month _____

Annual/ Six monthly Allocation (in MTs)	Foodgrains lifted (till last month)	Foodgrains lifted during the month (in MTs)	Foodgrains released to Schools/Cooking Agencies (in MTs) (till this month)	Bills submitted by FCI (till this month)		Payment made to FCI (till this month)	
				Quantity	Amount	Quantity	Amount