

**GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA**

UNSTARRED QUESTION NO:1604
ANSWERED ON:02.12.2014
FUNDS FOR PROCUREMENT OF PADDY
Singh Shri Ravneet

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether there was a delay in the release of second instalments of funds for the procurement of paddy in Punjab during the current year; and

(b) if so, the details thereof and the reasons therefor along with the corrective steps taken in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (SHRI RAOSAHEB PATIL DANVE)

(a) & (b): In the light of request made by Government of Punjab and approval given by Reserve Bank of India (RBI), Ministry of Finance (Department of Expenditure), whose consent is also required under Article 293(3) of Constitution, vide letter dated 10.10.2014 gave their consent for sanction of Cash Credit Limit (CCL) of Rs.8000 crore to Govt. of Punjab for meeting financial requirement for procurement of paddy during Kharif Marketing Season (KMS) 2014-15. Further, Ministry of Finance sought certain information on non-closure of CCL accounts of Punjab for previous KMS/RMS and also advised this Deptt. to convene a meeting with officers of Govt. of Punjab and other stakeholders before consent for the balance amount of CCL of Rs.10451 crore is accorded. Accordingly, a meeting was held in the Department on 17.10.2014 in which representative from Govt. of Punjab, FCI, SBI and Ministry of Finance were also present. Based on discussion held in the meeting, Ministry of Finance vide letter dated 07.11.2014 gave their consent for sanction of balance amount of CCL of Rs.10451 crore for procurement of paddy during November, 2014. Further, Govt. of Punjab and Food Corporation of India have been advised to settle the all pending issues in a time-bound manner so that outstanding CCL account can be closed.