

**IMMEDIATE**

**No. G-22011/1/2015-16/Budget  
Government of India  
Ministry of Consumer Affairs, Food & Public Distribution  
Department of Food & Public Distribution**

Krishi Bhawan, New Delhi  
Dated: 31<sup>st</sup> March, 2016

**OFFICE MEMORANDUM**

To

The Controller of Accounts  
Ministry of Consumer Affairs, Food & Public Distribution  
Department of Food & Public Distribution  
4<sup>th</sup> Floor, Jeevan Deep Building, Parliament Street  
New Delhi-110 001

**Sub: Vote on Account to cover the Government's requirement of funds for the first two months (April to May, 2016) of the Financial Year 2016-17.**

Sir,

I am directed to inform that Parliament has passed 'Vote on Account' for 2016-17 and the connected Appropriation Bill has also been assented to by the President on 25<sup>th</sup> March, 2016.

2. So far as Department of Food and Public Distribution is concerned, 'Vote on Account' for 2016-17 passed by the Parliament to cover the expenditure for the months of April to May, 2016 is as under:

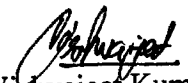
(₹ in crores)

Title of Demand or Appropriation	Total Demand				Amount passed in 'Vote on Account 2016-17' for expenditure in April to May, 2016			
	Revenue		Capital		Revenue		Capital	
	Charged	Voted	Charged	Voted	Charged	Voted	Charged	Voted
<b>Demand No. 17</b> - Department of Food & PD	<b>0.00</b>	<b>142102.51</b>	<b>0.00</b>	<b>10601.60</b>	<b>0.00</b>	<b>32496.69</b>	<b>0.00</b>	<b>10100.26</b>

3. Particular of the items under which additional provision over and above 1/6<sup>th</sup> of Budget Estimate has been made in 'Vote on Account for 2016-17' is as per Annexure 'A'.

4. It is requested to ensure that the payment of bills of this Department during the aforementioned period does not exceed the above limits and no expenditure on a "New Service" is incurred during the currency of 'Vote on Account' in 2016-17.

Encl: Copy of MoF's OM F. No. 2(12)-B(D)-2016 dated 28<sup>th</sup> March, 2016  
and Pages 1 & 3 of 'Vote on Account, 2016-17'.

  
(Vishvajeet Kumar Gupta)  
Section Officer (Budget)  
Tel.: 23388646

**Annexure – A**

(Items under which additional funds in excess of 1/6<sup>th</sup> of Budget Estimate have been passed in 'Vote on Account for 2016-17' for expenditure during April to May, 2016)

Demand No.	Items (description of project / schemes etc.)	Major Head in the Demand / Appropriation	Provision for the full year	Amount passed in the Vote on Account	Justification (in brief)
<b>REVENUE</b>					
17	2408.01.003.01.01.27- Minor Work, National Sugar Institute (NSI), Kanpur	2408-Food, Storage & Warehousing	1.60	0.40	An additional provision of ₹ 0.13 crore, over and above 1/6 <sup>th</sup> of BE 2016-17 (Minor Works) has been made for payment of the cost of sugarcane harvesting and authorization to be issued to CPWD.
17	2408.01.102.02.00.33- Subsidy payable to Food Corporation of India and others on foodgrains transactions.	2408-Food, Storage & Warehousing	103334.61	25833.65	An additional fund of ₹ 8611.22 over and above 1/6 <sup>th</sup> of BE 2016-17 has been made for payment of advance subsidy during April, 2016.
17	2408.01.797.01.00.63- Transfer to SDF	2408- Food, Storage & Warehousing	2000.00	400.00	Additional fund of ₹ 66.67 crores over and above 1/6 <sup>th</sup> of BE 2016-17 has been made to meet the requirement of SDF Schemes during April-May, 2016.
17	2408.01.800.12.00.33- Scheme for Extending Financial Assistance to Sugar Undertaking, (SEFASU) 2014	2408- Food, Storage & Warehousing	800.00	200.00	Additional fund of ₹ 66.67 crores over and above 1/6 <sup>th</sup> of BE 2016-17 has been made to release as advance quarterly payment to nodal banks during May, 2016.
17	2408.01.102.13.00.33- Interest subvention on scheme for extending soft loan to sugar mills, 2015	2408- Food, Storage & Warehousing	202.50	102.00	Additional fund of ₹ 68.25 crores, over and above 1/6 <sup>th</sup> of BE 2016-17 has been made to release as advance payment during April- May, 2016.
<b>TOTAL</b>			<b>106338.71</b>	<b>26536.05</b>	<b>8812.94 (over and above 1/6<sup>th</sup> of BE 2016-17)</b>
<b>CAPITAL</b>					
17	6408.01.190.02.00.55- Ways and Means advance payable to FCI	6408- Loans for Food, Storage & Warehousing	10000.00	10000.00	Additional fund of ₹ 8333.33 crores over and above 1/6 <sup>th</sup> of BE 2016-17 has been provided in Vote on Account for release in April, 2016.

**Particulars of "New Service/New Instrument of Service" for which provision is made in the Budget Estimates 2016-2017**

(₹ in crores)

Sl. No.	Demand Number	Major Head/Sub-Head	Provision in BE 2016-2017	Remarks
1.	17	2408.01.102.14.00.33	950.00	Domestic sugar prices have remained depressed for most part of the sugar season 2014-15, stressing the liquidity of the sugar industry and adversely affecting its capability to ensure timely payment of cane dues of the farmers. In view of this, CCEA in its meeting dated 18th Nov, 2015 have approved the proposal of production subsidy at rate of ₹ 4.50 per quintal of cane crushed for production of sugar to be provided to the sugar mills to offset the cost of cane in sugar season 2015-16 and to facilitate timely payment of cane price dues of farmers. The said subsidy shall be paid directly to the farmers on behalf of the mills and shall be adjusted against the cane price payable due to farmers against FRP including arrears relating to previous years. The total financial implication on the scheme is about ₹ 1147 crores. However, ₹ 950 crores has been allocated in BE 2016-17 as per availability of fund within overall ceiling for 2016-17 for grant as a whole. <b>The entire amount would be finally met from Sugar Development Fund (SDF).</b>