

Subject: Eligibility for Rashtriya Krishi Vikas Yojana (RKVY) – Next year 2008-09

A sum of Rs. 37.95 crore has been allocated for the State of Punjab for the year 2007-08 under RKVY. A sum of Rs. 9 crore as first installment was received vide sanction dated 23/11/2007 from the Ministry of Agriculture, GoI.

2. A detailed note of RKVY and National Food Security Mission dated 22/9/2007 is placed below. The State Government is required to fulfill the following two requirements in order to become eligible for assistance under RKVY in 2008-09 –

- (1) Preparation of District and State Agricultural Plans and their approval by the District Planning Committees - CM has already allowed holding of elections for DPC. The elections are likely to be completed by 15/12/2007. We are likely to constitute the DPCs by 31/12/2007 after nominating the 20% members. The District Agricultural Plans are almost ready and can be approved well in time for 2008-09.
- (2) The percentage plan expenditure in the 2007-08 on Agriculture and Allied Sectors has to be more than the average percentage expenditure for the previous three years i.e. year 2004-05, 2005-06 & 2006-07. The average expenditure for the previous three years on the Agriculture and Allied Sectors is as follows -

Year	Total Plan Expenditure	Expenditure in Agriculture and Allied Sector	% Expenditure
2006-07	5751.83	142.99	2.49
2005-06	3754.67	69.97	1.86
2004-05	1955.93	51.55	2.64
% average expenditure in Agriculture			2.33

3. That is the % plan expenditure in the current year 2007-08 has to be atleast 2.34 % of the total plan expenditure. The Plan Size is Rs. 5111 crore and 2.34 % works out to Rs. 119.60 crore. The final expenditure for the current year is likely to be around Rs. 4000 crore and therefore 2.34 % of the estimated plan expenditure would be about Rs. 93.60 crore. That is we have to incur an expenditure of atleast Rs. 94 crore in the year 2007-08 on the Agriculture and Allied Sectors. The Annual allocation for the Agriculture and Allied Sectors in the Annual Plan 2007-08 is Rs. 175.08 crore excluding the RKVY component.

4. The details of Plan Schemes for Agriculture and Allied Sectors are placed below. The revised plan size for Agriculture and Allied Sectors is Rs. 151 crore (Column 16). The Central share of CSS Schemes is not reflected in the plan outlay. As on 31/10/2007 the expenditure is only Rs. 14.37 crore.

A sum of Rs. 66.97 crore (col 17) can easily be spent by the departments by 31/3/2008 provided –

- The Finance Department sanctions the pending cases amounting to Rs. 17.17 crore (col 20).
- The treasury clear pending bills amounting to Rs. 38.11 crore (col 23).
- The Administrative Departments send cases to the Finance Department for approval.

5. The Administrative Departments can incur another expenditure of Rs. 58.08 crore (col 18) provided –

- A sum of Rs. 24 crore is received from GoI as TFC Grant (AGR 1, Page 1) and released to AD. FD can sanction this amount in anticipation also.
- A sum of Rs. 5 crore is released by FD in anticipation of receipt of ACA for setting up of 20 Farmers Training Centers (AGR 8, Page 2).
- A sum of Rs. 10 crore is released by FD in anticipation of receipt of ACA for 5 Citrus Centers (HORT 6, Page 4).

- A sum of Rs. 10 crore is released by FD out of the State funds for Punjab Dairy Development Board (DD 3, Page 8).
- A sum of Rs. 2.93 crore is released by FD out of State funds for assistance to dairy cooperatives (CN 3, Page 12).

6. The status regarding receipt of funds from GoI under Centrally Sponsored Schemes (column 6), case is pending with FD (Col 19) & Treasury (Col 22) is placed in the sheets below.

7. If action is taken as suggested in para 5 & 6 above then we can aim at an expenditure of Rs. 120 - Rs. 125 crore. As mentioned in para 3 above we have to spent around Rs. 95 crore. The Department of Agriculture is the nodal department for implementing RKVY in the State. He should coordinate with other departments – Animal Husbandry, Dairy, Fisheries, Forests & Cooperation and ensure that the relevant cases are sent to FD of release of funds. He should get the cases sanctioned from FD and bills cleared from the Treasury.

CS may kindly see and ask the FCD for requisite action. I have already sent the copy of this note to PSF.

(Satish Chandra)
Secretary Planning
7/12/2007

CS

FCD