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Cabinet Committee on Economic Affairs (CCEA)

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The Cabinet Committee on Economic Affairs, chaired by Prime Minister Shri Narendra Modi, has approved the regularization and extension of Govt. Guarantee provided to lender Bank for providing credit limit to National Agricultural Cooperative Marketing Federation of India (NAFED) Rs.19,000 crore from earlier Rs.9,500 crore for undertaking procurement operation of pulses and oilseeds under Price Support Scheme (PSS) and to Small Farmers Agri-Business Consortium (SFAC) for Rs. 45 crore for meeting their existing liability and settlement of extant claims. These Government Guarantees are provided for a period of five years i.e. till 2021-22 by Govt. of India and with waiver of 1% Government Guarantee fee.

As the market price of almost all pulses and oilseeds are ruling below Minimum Support Price (MSP) as notified by Govt. of India, provision of Govt. Guarantee will help in protecting the farmers producing these commodities from making distress sales during the peak arrival period and to provide remunerative prices with a view to encourage higher investment and production and also to safeguard the interest of consumer by making available supplies at reasonable price with low cost of intermediation.

AKT/VBA

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