

terminate the corporate existence of the company, sale, lease, exchange or deposition of land and building, making directly or indirectly of loans or advances in excess of Rs. 500 millions to any persons other than in the ordinary course of business of the company, any change in the number of Directors in the company etc. where affirmative vote of at least one nominee Director of each of Government and the Strategic Partner is required.

Out of these 12 Directors, the strategic partner having 25% share holding is entitled to appoint 4 full-time Directors and Government to appoint 4 full-time Directors. Further, both the strategic partner and the Government are entitled to appoint 2 independent Directors each.

(d) Through active participation by the nominated Government Directors in VSNL Board, Government shall protect its 26% equity interest in the Company as well as overall interest of the shareholders.

Funds for paddy procurement in Chhattisgarh

†2370. SHRI RAMADHAR KASHYAP: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether any demand for grant of Rs. 500 crore has been made by Chhattisgarh for paddy procurement on support prices as has been provided to Punjab; and

(b) if so, the action taken thereon, so far, in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI U.V. KRISHNAM-RAJU): (a) and (b) The State Government of Chhattisgarh has requested for reimbursement of actual expenditure incurred on storage and interest charges for the paddy procured during 2001 -02. The State Government has been allowed to dispose of 5.78 lakh MTs of paddy procured during KMS 2001 -02 through open tender on "as is where is" basis in a transparent manner.

FCI was instructed in March, 2002 to advance Rs. 500 crore against the carry over charges due to the Government of Punjab to be adjusted subsequently against the bills raised by the State Government for payment of carry over charges.

†Original notice of the question was received in Hindi.