GOVERNMENT OF INDIA DEFENCE LOK SABHA

UNSTARRED QUESTION NO:1292 ANSWERED ON:30.11.2006 REALISATION OF REVENUE FROM COMMERCIAL COMPLEXES Bauri Smt. Susmita;Khan Shri Sunil

Will the Minister of DEFENCE be pleased to state:

(a)Whether there is any specific law or Government order that allows defence wings to realize revenue from commercial complexes located in Government buildings/lands;

(b) If so, whether it is mandatory for defence officials to credit the revenue amount in Government account ;

(c) If so, the details thereof; and

(d) The steps taken/proposed to be taken against certain IAF units, which have realized Rs.1.77 crore during January, 2001-March, 2003 as revenue from commercial complexes located in Government buildings/lands but did not credit the amount in Government account?

Answer

MINISTER OF THE STATE IN THE MINISTERY OF DEFENCE (SHRI A.K. ANTONY)

(a) Yes, Sir.

(b)&(c) : Yes, Sir. It is mandatory to credit the revenue amount to the Government account as per the Defence Shopping Complexes (Maintenance and Administration) Rules,

2006. The prescribed Guidelines/Rules relating to crediting of the revenue in Government account are as follows:-

(i) The shopping complexes where building assets have been created from non-public funds of the Regiment or Welfare Fund of the Services and the land belongs to the Government, 50% of the net revenue generated shall be credited to the Government Treasury and the balance 50% to the Regimental Funds/Welfare Fund of the respective Service concerned.

(ii) In the case of shopping complexes created by re-appropriation of Government building, 100% of net revenue will be credited to the Government Treasury.

(iii) In the case of shopping complex created by constructing assets using non-public funds as well as re-appropriation of Government building (mixed complexes), 100% of net revenue will be credited to the Government Treasury.

(d)As informed by the Air Headquarters, Rs.1.77 Crores realized as rebate for running businesses during January, 2001 to March, 2003 was not from commercial complexes but from the regimental shops and the same was credited to the respective non public funds as per policy. However, license fee and allied charges in respect of these shops was recovered as per the extant Government policy and credited to the Public Funds.