

**GOVERNMENT OF INDIA
DEFENCE
LOK SABHA**

UNSTARRED QUESTION NO:873

ANSWERED ON:19.03.2012

UNIT RUN CANTEENS

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Will the Minister of DEFENCE be pleased to state:

- (a) the total number of Unit Run Canteens (URCs) in the country at present and their consolidated turnover and profits earned from sales during each of the last three years and the current year;
- (b) whether the commodities sold through URCs are free from local taxes as assisted by the Consolidated Fund of India (CFI) but the huge profits earned by them are allegedly not being deposited to the CFI and if so, the details thereof and the reasons therefor;
- (c) whether the Comptroller and Auditor General of India (C&AG) has been allegedly denied access to the records of URCs as reported recently and if so, the details thereof and the reasons therefor; and
- (d) the corrective measures taken/proposed to be taken by the Government in this regard?

Answer

MINISTER OF DEFENCE (SHRI A.K. ANTONY)

- (a) There are at present 3730 Unit Run Canteens in the country. There is no centralized system to compile the annual turnover of URCs.
- (b) to (d): Local taxes are paid by Canteen Stores Department's Depots as per the policy of respective State Governments in vogue from time to time and the same is charged from URCs along with the cost of items. The Comptroller & Auditor General of India in its 14th Report (2010-11) on Performance Audit of Canteen Stores Department has recommended that the URCs should be recognized as the retail outlets integral to CSD and steps be taken to bring the URCs under the accountability regime that is applicable to all operations funded by the Consolidated Fund of India. C&AG in its report has also mentioned that Audit was denied access to records of URCs. The Public Accounts Committee to Parliament (PAC) (15th Lok Sabha) selected the subject report of C&AG for examination during the year 2010-11. The PAC presented its 48th Report on Canteen Stores Department to Parliament on 28.12.2011. The Report is under consideration in the Ministry for preparing Action Taken Notes.