

**GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA**

UNSTARRED QUESTION NO:4086

ANSWERED ON:15.12.2009

RELEASE OF FUNDS

Balram Shri P.;Shetkar Shri Suresh Kumar;Siricilla Shri Rajaiah

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

- (a) whether the Government of Andhra Pradesh has requested the Union Government for release of funds with regard to payment of transportation charges for custom mill rice and gunny bags;
- (b) if so, the details thereof and reaction of the Government thereto; and
- (c) the action taken by the Government thereon?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (PROF. K.V. THOMAS)

(a)to(c): As intimated by Food Corporation of India (FCI), procurement incidentals including Transportation charges and gunny bags for procurement of foodgrains including Custom Milled Rice in respect of all the States are released on the basis of provisional cost sheet issued at the beginning of each Marketing Season.

Andhra Pradesh State Civil Supply Corporation (APSCSC) Ltd. submits the claims for the expenditure incurred on account of transportation charges (on actual basis) to the FCI and the same is reimbursed by the Corporation as per the existing guidelines. However, APSCSC Ltd. has been requesting that FCI rates are lesser than the actual transportation charges being incurred by it. To fix the normative transportation charges, Government has referred the matter to Tariff Commission. At present, on receipt of the bills from APSCSC Ltd., FCI reimburses the transportation charges as per the slab rates fixed by it.

Actual expenditure incurred including transportation charges for each year is allowed on finalization of incidentals on the basis of annual audited accounts/annual reports submitted by the State Government/State agencies.