

GOVERNMENT OF INDIA
MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
RAJYA SABHA
QUESTION NO 04.12.2009
ANSWERED ON
DELAY IN PAYING CLAIMS OF AP MARKFED .

1693

SHRI M.V. MYSURA REDDEY

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

- (a) whether it is a fact that his Ministry is taking a long time for verifying and approving claims of Andhra Pradesh State Cooperative Marketing Federation Ltd. (AP MARKFED);
- (b) if so, whether it is also a fact that claims of AP MARKFED are languishing in his Ministry from 2003-04, till date;
- (c) if so, the reasons for such an enormous delay; and
- (d) the manner in which his Ministry is planning to address this issue and cut the time and pay the claims of AP MARKFED within six months of submission?

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(d): As per the existing policy and procedure, provisional incidentals for procurement of rice, wheat and Coarsegrains applicable to central pool in respect of all the States including Andhra Pradesh are issued at the beginning of each Marketing Season. For finalization of these provisional incidentals, annual audited accounts/annual reports are submitted by State Governments and their agencies. Same are examined in the Department and a detailed report is prepared for each crop year. This report is sent to State Government for their comments/suggestions on provisional findings. A meeting is convened in the Department with the concerned State Government at their request in case they have differing opinion on provisional findings to finalise the incidental rates.

After issue of final incidentals, payment of balance amount to the State/State agency is made by the Food Corporation of India on receipt of claims form the State.

In respect of coarsegrains (Maize) procured by Govt. of Andhra Pradesh and its agencies, including Andhra Pradesh State Cooperative Marketing Federation Ltd. (AP MARKFED), incidentals for the year 2003-04 and 2004-05 have already been finalized and communicated to State Government on 03.12.2008 and 07.01.2009 respectively. The State Government requested for revision of economic cost finalized by the Department. The matter was discussed with State Government / AP MARKFED in the meetings on 20.04.2009 and 02.09.2009 and based on discussions, the State Government was requested to send additional information alongwith relevant documents for reconsideration of Department. The same has been received on 01.12.2009 in the Department.

Financial Accounts of Government of Andhra Pradesh/ AP MARKFED in respect of procurement of rice for the year 2001-02 to 2005-06 were received together in August, 2008. Kharif Marketing wise accounts/claim have been sent only for 2002-03 on 04.11.2009. There is no undue delay in finalization of accounts of AP MARKFED and time taken for finalization is due to delayed submission of accounts/ incomplete information and documents from the State.