

**GOVERNMENT OF INDIA
PLANNING
LOK SABHA**

UNSTARRED QUESTION NO:3135
ANSWERED ON:13.08.2003
GUIDELINES FOR LOAN GRANT
SADASHIVRAO DADOBA MANDLIK

Will the Minister of PLANNING be pleased to state:

- (a) whether the Government have issued some guidelines for loans, financial assistance and grant-in-aid for various projects/schemes in special and non-special category States;
- (b) if so, the details thereof;
- (c) whether some State have registered their protest in this regard: and
- (d) if so, the details thereof and the corrective measures taken by the Government in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF STATISTICS & PROGRAMME IMPLEMENTATION, MINISTER OF STATE IN THE MINISTRY OF PLANNING, MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY AND MINISTER OF STATE IN THE DEPARTMENTS OF ATOMIC ENERGY AND SPACE (SHRI S.B.MOOKHERJEE)

(a) & (b) : Central Assistance for the Annual Plans of States released as loans and grants for various projects/schemes comprises of Normal Central Assistance (NCA), Additional Central Assistance (ACA) for Externally Aided Projects (EAPs) and ACA for Special and Other Programmes. While allocation of NCA is based on the Gadgil Formula as approved by the National Development Council (NDC) in December, 1991, allocation of ACA for EAPs and ACA for Special and Other Programmes are based on the specific Guidelines for each of these Programmes.

(c) & (d) : States have been raising, at various National Development Council (NDC) meetings, divergent views on this subject. While the advanced States have sought higher weightage for performance, the less advanced States have sought higher weightage for backwardness. Hence, in the absence of consensus amongst the states, it may be difficult to take a view on this subject. However, the availability of funds to States for projects/schemes and its effective utilization and progress in implementation is ensured through Progress Reports, Utilization Certificates and periodic review meetings/official visits to the States by the Commission/Ministries and Departments.