

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:5887
ANSWERED ON:30.04.2010
LOANS AND GRANTS UNDER FC XII.
Dhotre Shri Sanjay Shamrao;Patel Shri Devji

Will the Minister of FINANCE be pleased to state:

- (a) the State-wise and scheme-wise details of loans and grants already released and pending release alongwith reasons for pendency under the 12th Finance Commission (FC XII);
- (b) whether requests in this regard have been received by the Union Government;
- (c) if so, the details thereof alongwith action taken or being taken thereon, Statewise;
- (d) whether complaints relating to misuse of the funds have been received by the Union Government; and
- (e) if so, the details thereof and the response of the Government thereto?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a): A statement showing allocations and releases of the grants recommended by the 12 Finance Commission (FC-XII) is annexed. Grants were released as per guidelines framed, based on the recommendations of FC-XII. Reasons for short releases are non-fulfillment of requirements such as non-receipt of State High Level Committee approved action plans, required budget provisions and actual expenditure under the relevant Major Head being lower than FC-XII projected levels, non- receipt of utilization/ completion certifications, and non -payment of interest by the States to Local Bodies at bank rate for delayed transfer of grants beyond stipulated period.

(b) & (c): Some State Governments have requested release of some un-released grants, which have not been released for the reasons mentioned above. These include Andhra Pradesh for Rs.30.4cr, Assam for Rs.16.16cr, Bihar for Rs.40.00cr, Haryana for Rs.10.00cr, Himachal Pradesh for Rs.2.50cr, Kerala for Rs.104.83cr, Madhya Pradesh for Rs.27.10cr, Jammu & Kashmir for Rs.3.00cr, Maharashtra for Rs.28.00cr, Meghalaya for Rs.18.00cr, Orissa for Rs.3.00cr, Tamil Nadu for Rs.60.63cr, Uttar Pradesh for Rs.9.68cr and West Bengal for Rs.84.94 cr. The award period of FC-XII was up to 31.03.2010. In such a case, any unreleased grant is assessed as per applicable guidelines.

(d) & (e): A complaint was received from `Citizens of Mysore` alleging misuse of funds allotted to Administrative Training Institute (ATI), Mysore under the State Specific Needs. The matter was referred to State Government. State Government has informed that ATI has confirmed that provisions of Kamataka Transparency in Public Procurement Act, 1999 were followed in pre-qualification, short - listing and awarding of works; quality of works was reported to be monitored through a three Tier Quality control system, and the allegations made were baseless. FC-XII grants released to States are subject to audit.