

**GOVERNMENT OF INDIA
HOME AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:3340
ANSWERED ON:30.11.2010
UTILISATION OF FUNDS UNDER MPF SCHEME
Mahtab Shri Bhartruhari

Will the Minister of HOME AFFAIRS be pleased to state:

- (a) the total funds granted by the Union Government alongwith the total funds released/utilised by the State Governments under the scheme of Modernisation of State Police Forces, (MPFS) during each of the last three years;
- (b) the names of the States who have failed to furnish the utilisation certificates during the said period;and
- (c) the action taken by the Union Government in this regard?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI MULLAPPALLY RAMACHANDRAN)

(a) & (b): The total Central funds released to various State Governments under the Scheme for Modernization of State Police Forces for the last three years, 2007-08 to 2009-10 and the utilization reported by the State Governments is given below;

(Rs.in crore)

Year	Funds released	Funds utilized
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2007-08	1248.70	1210.63
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2008-09	1157.64	981.90
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2009-10	1230.00	()
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() The utilization certificate for Central funds released in 2009-10 will become due from the respective State Governments on 01-04-2011. Due utilization certificates have been received from all the States. However, the extent of utilization of released funds varies from State to State.

(c): Instructions have been issued from time to time to the State Governments to ensure proper and timely utilization of funds released during the previous financial years and funds are released in subsequent years on the basis of utilization certificates received from the States. The unspent balances, if any, for the previous financial years are adjusted while releasing funds in the subsequent year(s). Where on account of non-receipt of Utilization Certificates from any State(s), it is not possible to release funds to any State, such unreleased amounts calculated as on 30th November of a financial year, are pooled up and released to States requiring more funds than their normal allocation on account of specific requirements and better performing States with no pending / overdue utilization certificates.

In order to fulfill the objectives and to ensure the desired outcomes and impact, a system of concurrent audit on quarterly basis was introduced from the last quarter of 2008-09. The audit observations are utilized to guide the release of funds to the States in the succeeding quarters.