

**GOVERNMENT OF INDIA
ROAD TRANSPORT AND HIGHWAYS
LOK SABHA**

UNSTARRED QUESTION NO:1289
ANSWERED ON:08.08.2011
GRANTS UNDER INTER-STATE CONNECTIVITY
Haque Shri Mohammad Asrarul

Will the Minister of ROAD TRANSPORT AND HIGHWAYS be pleased to state:

- (a) whether the Union Government provides grants to the States and the Union Territories for development of roads and bridges under the scheme of Inter-State Connectivity and Economic Importance;
- (b) if so, the details thereof alongwith the criteria for sanctioning funds under the said scheme;
- (c) the details of the proposals submitted by the various State Governments in this regard during each of the last three years and the current year, State-wise/Union Territory-wise including Bihar and Jharkhand alongwith their present status;
- (d) the details of grants provided by the Government during each of the last three years and the current year, State-wise/Union Territory-wise including Bihar and Jharkhand; and
- (e) the time by which the pending proposals are likely to be cleared?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS (SHRI JITIN PRASADA)

(a) to (e) The Union Government provides funds to the States and the Union Territories (UTs) for development of roads and bridges under the schemes of Inter-State Connectivity (ISC) and Economic Importance (EI) Schemes as per the provisions of the Central Road Fund (CRF) Act, 2000 amended by the Finance Act, 2005 and CRF (State Roads) Rules, 2007. Whereas the projects under ISC scheme are fully funded by the Union Government, projects under EI scheme are funded to the extent of fifty percent of the approved project cost by the Union Government and the balance fifty percent is borne by the respective State Governments / UTs.

Funds are allocated to the States/UTs under EI&ISC schemes every year based on the fund requirements projected during the year by the State Governments / UTs for sanctioned works and new works proposed to be sanctioned, overall availability of funds, etc. The first installment of funds is released to the States / UTs during a financial year on the basis of requirement. The subsequent installments are released on the basis of the progress of works and actual expenditure reported by the executive agency. The release of funds for fifty percent financed works (i.e. EI projects) is commensurate with the expenditure proposed to be incurred from the resources of the States/ UTs.

The State/UT-wise (including Bihar and Jharkhand) details of proposals for fund requirements received from various State Governments/UTs and the allocations made to them under EI & ISC schemes during each of the last three years and the current year are annexed. However, the State/UT-wise allocations of funds under EI & ISC schemes for the current financial year 2011-12 are yet to be made.