

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

UNSTARRED QUESTION NO:466
ANSWERED ON:07.07.2009
INTER STATE CONNECTIVITY SCHEME
Reddy Shri Magunta Srinivasulu

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

- (a) whether the Government is providing funds to State Governments under the Economic Importance and Inter State Connectivity Scheme;
- (b) if so, the details thereof indicating the date since when this scheme is in force;
- (c) the amount of funds earmarked and released so far under the scheme to each State;
- (d) whether the Government has reviewed the utilisation of the said funds; and
- (e) if so, the details thereof?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS (SHRI R.P.N.SINGH)

(a) and (b) The Government provides funds to the State Governments / Union Territories (UTs) for development of State Roads under the Economic Importance and Inter State Connectivity (EI & ISC) Schemes as per the provisions of the Central Road Fund (CRF) Act, 2000. Whereas the projects of ISC are fully funded by the Government, projects of EI are funded to the extent of fifty percent of the approved project cost by the Government and the balance fifty percent is borne by the respective State Government. The CRF was in existence since 1929. It was being governed by the Parliamentary Resolution of 1977. Subsequently, the CRF Act, 2000 came into effect in December, 2000.

(c) The Government has allocated Rs. 1,344.52 crore under EI & ISC schemes for the State Governments / UTs during 2000-01 to 2009-10 and an amount of Rs. 609.76 crore has been released so far. The States / UTs wise details of funds allocated during 2000-01 to 2009-10 and funds released so far under the EI & ISC schemes are annexed.

(d) and (e) The Government reviews the utilization of the funds released on continuous basis. The State/UT-wise allocations of funds are made during a financial year as per the requirements and availability of funds. 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.