

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

UNSTARRED QUESTION NO:762

ANSWERED ON:19.03.2012

FINANCIAL ASSISTANCE FOR RENOVATION OF ROADS

Anuragi Shri Ghansyam ;Patil Shri A.T. Nana

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

- (a) whether the Union Government has received proposals from the Public Works Departments (PWDs) of various State Governments seeking financial assistance for the repair/renovation of roads in their States;
- (b) if so, the details thereof, State-wise particularly Uttar Pradesh;
- (c) whether the proposals submitted by the PWD of Uttar Pradesh and other States have been accorded approval; and
- (d) if so, the details thereof and if not, the reasons therefor?

Answer

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

(a) to (d) The Union Government provides financial assistance to the States and the Union Territories (UTs) for development of State roads and bridges, under the schemes of Economic Importance (EI) and Inter-State Connectivity (ISC) 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 State Governments under EI&ISC schemes every year based on the fund requirements projected during the year by the State Governments / Union Territories (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 State Governments 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 State Governments.

The State-wise details of proposals for fund requirements received from various State Governments, including Uttar Pradesh, and the allocations made to them under EI & ISC schemes during the 2011-12 are annexed.