

ever manner you may decide...*(Interruptions)* We are ready for discussion...*(Interruptions)*

[English]

DR. SUBRAMANIAN SWAMY : ...\*What is the report that the Government have got on this issue? ...*(Interruptions)*

MR. SPEAKER : Q. No. 142 – The Minister of Finance to reply.

*(Interruptions)*

DR. SUBRAMANIAN SWAMY : Sir, what happened to my notice ?

MR. SPEAKER : Please take your seat.

DR. SUBRAMANIAN SWAMY : Mr. Speaker, Sir, please adjourn the House for ten minutes...*(Interruptions)*

MR. SPEAKER : Nothing will go on record.

*(Interruptions)\*\**

DR. SUBRAMANIAN SWAMY : ....

*(Interruptions)*

MR. SPEAKER : Hon. Members, please take your seat. You can raise the matter during 'Zero Hour.' But I cannot allow you now. I will allow you during the 'Zero Hour'.

Now, Q. 142 – Shri Girdhari Lal Bhargava.

*(Interruptions)*

DR. SUBRAMANIAN SWAMY : This is an important issue. Sir, what is your ruling regarding my notice for suspension of Question Hour?...*(Interruptions)*

MR. SPEAKER : Now, the Minister of Finance to reply.

...*(Interruptions)*

MR. SPEAKER : Except the statement of the Minister of Finance, nothing will go on record.

...*(Interruptions)\*\**

11.19 hrs.

*(At this stage, Dr. Subramanian Swamy, Shri R. Muthaiah and some other hon. Members left the House.)*

11.20 hrs.

#### ORAL ANSWERS TO QUESTIONS

[English]

#### Advance Funds for Externally Aided Projects

+

\*142. SHRI GIRDHARI LAL BHARGAVA :

\*Expunged as Ordered by the Chair.

\*\* Not Recorded

SHRI A. VENKATESH NAIK :

Will the Minister of FINANCE be pleased to state :

(a) whether there is a provision of providing 25 percent amount of the Budgetary allocations to the State Governments as an advance in the beginning of every financial year for the implementation of externally aided projects without causing time and cost over-run;

(b) if so, whether the Union Government have released the amount of advance to the State Governments, particularly to Rajasthan and Karnataka;

(c) if so, the details thereof and if not, the reasons therefor;

(d) whether several claims of externally aided projects pertaining to the State Governments of Rajasthan and Karnataka are pending with the Union Government for reimbursement;

(e) if so, the reasons therefor; and

(f) the time by which the pending claims are likely to be reimbursed?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) The normal procedure for release of Additional Central Assistance (ACA) is on reimbursement basis. However, release of advance ACA has been undertaken by way of assisting the States in effective aid utilisation. The amount of advance ACA has varied from year to year.

(b) and (c) During 1998-99, an amount of Rs. 750 crores has been released as advance ACA to 18 States including the States of Rajasthan and Karnataka.

(d) to (f) Claims amounting to Rs. 1.38 crore and Rs. 1.14 crore in respect of Rajasthan and Karnataka for which the donor has disbursed amounts are being processed for reimbursement. Further, reimbursement/direct payment claims worth Rs. 16.49 crore from Rajasthan and Rs. 22.84 crore from Karnataka have been received by the Government. These are under scrutiny in the Ministry or with the donors. Amounts against these will be due for release after the disbursement is received from the donor.

[Translation]

SHRI GIRDHARI LAL BHARGAVA : I would like

to humbly tell the Hon'ble Minister that the government has not given sufficient importance to Rajasthan and I got this impression from the reply of Hon'ble Minister that the amount of advance of Rs. 750 crore was released and out of that my State Rajasthan was given only Rs. 1.38 crore. Therefore, the Hon'ble Minister should think seriously for increasing this amount because it is injustice to give such a meagre amount to a desert hilly and backward state like Rajasthan.

Mr. Speaker, Sir, my first supplementary is that the Finance Minister should inform us about the schemes for which funds have been released and also the schemes for which funds are not being released? My second question is whether the economic sanctions imposed by America have had a bearing on the amount being given to Rajasthan? If so, whether an alternative arrangement will be made for Rajasthan?

SHRI YASHWANT SINHA : Mr. Speaker, Sir, I had mentioned in my reply that the remaining amount which is to be released for making payments for special scheme, was Rs. 1.38 crore in the case of Rajasthan. Perhaps Hon'ble Minister has some confusion in this regard. It is pending amount. This year the amount of money which has been released to Rajasthan is Rs. 30 crore 42 lakh whereas last year under this head we had released only Rs. 20 crore 28 lakh.

Mr. Speaker, Sir, as far as Hon'ble Member's second question is concerned, I would like to say that in Rajasthan many such schemes are going on which are getting assistance from foreign institutions. I would also like to say that the hindrance which has occurred now due to postponement of our proposals by World Bank, has not influenced these payments. The process of payment is not affected due to this development. I would also ensure that not only Rajasthan but other states should also get their payments from time to time.

SHRI GIRDHARI LAL BHARGAVA : Hon'ble Mr. Speaker, Sir, I am satisfied with the reply of the Hon'ble Minister and I thank him for that. I would also like to ask one more supplementary Question. The Hon'ble Minister may please disclose the names of donors of the schemes of Rajasthan and how much amount is expected to be received from them?

SHRI YASHWANT SINHA : Mr. Speaker, Sir, I have got a long list of Rajasthan in which names of many countries are given. In that names of Switzerland, Japan, Canada, Sweden, Germany and many countries of European Community are mentioned who have been providing money for the approved schemes

of Rajasthan. Since it is a long list, if you allow me then I can make this list available to the Hon'ble Member.

[English]

MR. SPEAKER : There is another Member also. Shri A. Venkatesh Naik.

SHRI A. VENKATESH NAIK : Sir, presently several projects are being implemented all over the country. The completion of most of these projects are being delayed and the cost of those projects are also escalating day by day.

Sir, the Finance Minister, in his reply, has not stated anything about the amount of money that has been forwarded to the State Government of Karnataka during the year 1998-99. By what time due reimbursement of Rs. 22.84 crore would be made?

[Translation]

SHRI YASHWANT SINHA : As far as the Question of Karnataka is concerned, this year the amount which has been released to the State of Karnataka under the Advance Additional Central Assistance is Rs. 34.80 crores. This is only the advance.

Sir, We have a system of disbursement. The advance is released early in the year. This is only to help the States in order to get over the ways and means problem so that they could take up the implementation of the externally-aided projects as quickly as possible. Then, in course of the year, as and when we receive the bills, the accounts from the various State Governments we look at them and after we satisfy ourselves, we send them to the donor-agency. Then the donor-agency examines them and after the donor-agency has satisfied itself and made the disbursements, the monies are disbursed to the States.

Sir, this whole cycle takes about three months, which is not undue delay. Now, this amount of Rs. 20.84 crore, as I have stated, is the account that we have received from the Government of Karnataka. This is being processed. After we have looked at it, we would send it to the donor-agency and after it has been cleared by the donor-agency, this money will be reimbursed to the State. But I would like to say that this does not create any handicap for the States because the Advance Central Additional Assistance takes care of that problem.

[Translation]

SHRI CHETAN CHAUHAN : Mr. Speaker, Sir, I would like to inform the Hon'ble Minister that Uttar

Pradesh is a very backward state and its own resources are meagre. It is also very backward in the area of health and industry. I would like to ask the Hon'ble Minister how much amount was given to Uttar Pradesh under Advance Funds for Externally Aided Projects?

[English]

How many Projects are pending.

[Translation]

By when their balance money will be given so that there is no cost over run in these projects and these projects whether they are in the field of power or any other field, could be started at the earliest?

SHRI YASHWANT SINHA : Mr. Speaker, Sir, according to the information available with me, Rs. 1.20 crore and 35 lakh was made available to Uttar Pradesh in the beginning of this year as advance additional central assistance. As far as the question of the schemes of Uttar Pradesh is concerned, I would like to say that in Uttar Pradesh also like other states, amount is being made available by various countries and multinational institutions for approved schemes. I am having the long list with me. With the progress in the implementation of the schemes we provide funds to Uttar Pradesh. There is no difficulty in this regard.

[English]

SHRI P.C. THOMAS : Sir, it is a fact that the Central Assistance as well as the Advance ACA which has been mentioned, reach the State Governments very late. We are told that there are several schemes for which ACA and Advance ACA are expected from the Central Government by the State of Kerala. We also are told that there has been a long delay and because of the delay, many of the schemes are pending.

MR. SPEAKER : Shri Thomas, please ask your pointed question. We are already running short of time.

SHRI P.C. THOMAS : This is my pointed question, Sir.

There is one major irrigation project called Muvattupuzha Valley Irrigation Project. Work on this project is long pending because the Central Assistance and the Advance Assistance have not reached in time. Will the Minister be pleased to highlight these issues and also address these issues, so that the Kerala State and the people of Kerala will not be deprived of the Central Assistance in time?

SHRI YASHWANT SINHA : I am afraid, the impression that the hon. Member has is unfortunately not correct. This year we have released 15 per cent of the total amount as Advance Additional Central Assistance. This amount was released on 13th of May 1998. So, there has been absolutely no delay on our part in the release of this Central Assistance.

The other point which I would like to make is, the hon. Member would recall that when I had made my interim Budget speech in this House, I had said that I was making available an amount of Rs. 1000 crore by way of additional Central Assistance only in order to settle the outstanding bills of the State Governments. I would like to inform the hon. Member that compared to the arrears of previous years - in 1996-97 the arrear was Rs. 1105 crore, in 1997-98 the arrear was Rs. 1204 crore - fortunately in 1998-99, in the current year, the arrear is only Rs. 315 crore. It is as a result of the action that this Government took immediately after coming into office by making a special provision that the States' bills could be settled and the amount of the pending bills could be brought down to this level. This is unprecedented in the last few years. I would like to say that as far as Kerala is concerned, the amount of money which has been released this year by way of Advance Additional Central Assistance on the 13th of May is Rs. 22.45 crore. So, in the light of this, I do not think there is any special problem. If Kerala has any special problem in regard to any other project or any specific project, I will invite the Member to come and discuss it with me.

[Translation]

SHRI ANANT GANGARAM GEETE : Mr. Speaker, Sir, the Finance Minister in his reply has stated that during 1998-99 amount of Rs. 750 crore has been released in the form of advance additional central assistance to 18 states including Rajasthan and Karnataka. I would like to know from Hon'ble Minister through you whether Maharashtra is also included in this and if so, how much amount has been given to Maharashtra?

SHRI YASHWANT SINHA : Maharashtra was also included in these 18 states and an amount of Rs. 104 crore and 76 lakh has been given to it.

[English]

#### Export Performance

+

\*143. SHRI VILAS MUTTEMWAR :

SHRI R. SAMBASIVA RAO :