

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:389
ANSWERED ON:25.02.2000
ADVANCE ACA FOR EXTERNALLY AIDED PROJECTS
RAJO SINGH

Will the Minister of FINANCE be pleased to state:

- (a): whether there is a provision to provide 2.5 per cent advance of the budget allocation to the State Governments at the beginning of each financial year for the implementation of foreign aided projects so that there is no cost escalation and the projects complete in time;
- (b): If so, whether the Union Government have provided the advance to State Governments, particularly to Bihar and U.P.;
- (c): if so, the details thereof and if not, the reasons therefor;
- (d): whether a number of claims of Bihar and U.P. for the foreign aided projects are pending with the Union Government;
- (e): if so, the details thereof and the reasons therefor; and
- (f): the time by which these Claims are proposed to be entertained?

Answer

SHRI BALASAHEED VIKHE PATIL MINISTER OF STATE FOR FINANCE

- (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) & (c): During 1999-2000, Rs. 670.57 crore was released as Advance ACA. Out of this Rs. 10.14 crore was released to Bihar and Rs. 120.26 crore to UP.
- (d), (e) & (f): As on 17.2.2000 claims worth Rs. 72.86 crore in respect of externally aided projects in Uttar Pradesh are being processed for lodging with the concerned donors. Amounts against these will be due for release after the disbursement is received from the donor. No claims in respect of externally aided projects in Bihar are pending.