

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF EXPENDITURE**

**LOK SABHA
UNSTARRED QUESTION NO. 2940**

TO BE ANSWERED Friday, August 3, 2018/Shravana 12, 1940 (Saka)

Pending Funds Release to Andhra Pradesh

2940. SHRIMATI BUTTA RENUKA:

Will the Minister of FINANCE be pleased to state:-

- (a) whether Section 46 (3) of the Andhra Pradesh (AP) Reorganisation Act interprets that the Centre shall make available a special development package for AP, along with adequate incentives and if so, the details thereof;
- (b) the details of basis on which the package for backward districts is decided;
- (c) the reasons for addressing backward grant for a district of the size of Anantapur with the smallest district of Bundelkhand used for comparison when there is a huge disparity between the two; and
- (d) whether an amount of Rs.350 crore are still pending for release which was approved for release but withdrawn even though the State has already submitted Utilization Certificate (UC) for the last two years?

ANSWER

**MINISTER OF STATE FOR FINANCE
(SHRI P. RADHAKRISHNAN)**

- (a) : Yes, under section 46(3) of Andhra Pradesh Re-organisation Act, 2014 a Special Development Package for the 7 backward districts of Andhra Pradesh of Rs.2100 crore has been announced @ Rs.300 crore per district. An amount of Rs.1,050 crore (Three instalments of Rs.350 crore @ Rs.50 crore per district) has been disbursed for backward areas and a further amount of Rs.1,050 crore would be paid in the coming years.
- (b) &(c): NITI Aayog in its report on "Report on Developmental Support to the Successor State of Andhra Pradesh Under APRA, 2014" dated 01st December, 2015 recommended "...a total amount of Rs.2100 crore for the 7 backward districts of Andhra Pradesh @Rs.300 crore per district. This grant included Rs.700 crore released in FY 2014-15 and FY 2015-16."
- (d): In order to sanction the funds to GoAP from Demand No.40 (Transfer to States), the releases are based on the recommendations of the NITI Aayog after checking the Utilization Certificates (UCs) etc. and thereafter the approval of the competent authority is obtained. In this case all the necessary approvals were not available and inadvertently the amount of Rs.350 crore was released and then withdrawn. The release has not yet materialized.
