

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

**LOK SABHA
UNSTARRED QUESTION NO. 3046
TO BE ANSWERED ON FRIDAY, 05th January, 2018
15 PAUSHA, SAKA 1939**

Misuse of Loans by States

3046. SHRI RAJESHBHAI CHUDASAMA:

Will the Minister of FINANCE be pleased to state:

- a) the quantum of loans disbursed to the States by the Union Government during the last three years along with the amount outstanding against the States, State/ UT-wise;
- b) whether the Union Government has taken cognizance of certain misuse of loan amount by the States during the said period, if so, the details thereof; and
- c) the remedial action taken by the Union Government in this regard?

ANSWER

MINISTER OF STATE IN MINISTRY OF FINANCE
(SHRI PON. RADHAKRISHNAN)

(a) The details of loans advanced by the Central Government to States/ UTs, during last three years from 2014-15 to 2016-17 alongwith the outstanding amount as at the end of 2016-17 are at **Annex-I**.

(b) & (c) Certain misuse/ allegations with respect to in-eligible expenditure, procurement and fraudulent practices were reported. These instances pertain to the World Bank financed Projects of - Emergency Tsunami Reconstruction Project (ETRP), Maharashtra Water Sector Improvement Project (MWSIP), Andhra Pradesh & Telangana Road Sector Project, Punjab Rural Water Supply & Sanitation Project (PRWSSP) and Odisha State Road Project. Expenditure found in-eligible by C&AG under ETRP has since been refunded. State Government has lodged FIR against defaulting company for submitting false Bank Guarantees in another project (MWSIP).

The loans from Multilateral Development Banks are passed to the State Governments on back to back basis for the socio-economic development of the State. The output of agreed project components and deliverables are well defined and are regularly monitored through Tripartite Review Meeting and State Review Meeting. Further, C&AG conducts audit of State expenditure and the audit report is placed before the State Legislature.

Annex-I to reply to part (a) of Lok Sabha starred question No. 3046 for 05.01.2018					Rs. in crore
S.No	Name of the States	State-wise amount of Loans advanced during the years#			Outstanding Balance of Central Govt. loans at the end of the 2016-17##
		Loans Advanced during 2014-15 #	Loans Advanced during 2015-16#	Loans Advanced during 2016-17#	
1	Andhra Pradesh	695.41	685.17	814.25	9,304.64
2	Arunachal Pradesh	-	-	-	190.38
3	Assam	49.66	50.49	57.36	1,235.85
4	Bihar	718.25	822.97	1,511.59	9,583.70
5	Chattisgarh	8.44	145.03	381.29	2,056.02
6	Goa	202.88	111.56	91.87	1,076.51
7	Gujarat	323.39	252.56	191.07	6,543.79
8	Haryana	130.76	97.24	129.59	2,141.93
9	Himachal Pradesh	125.31	59.31	101.30	1,072.07
10	Jammu & Kashmir	12.15	17.21	24.70	1,111.98
11	Jharkhand	138.83	150.91	234.29	2,151.17
12	Karnataka	1,365.20	1,271.02	1,917.93	13,766.43
13	Kerala	752.47	531.35	852.14	7,594.86
14	Madhya Pradesh	1,372.23	1,326.12	1,266.67	13,879.71
15	Maharashtra	587.12	575.97	634.80	7,826.61
16	Manipur	-	-	16.04	355.47
17	Meghalaya	4.77	2.28	4.28	177.63
18	Mizoram	19.39	3.80	6.84	220.45
19	Nagaland	5.43	0.14	0.26	135.59
20	Odisha	529.10	739.43	902.98	7,433.07
21	Punjab	561.92	265.33	654.94	3,862.99
22	Rajasthan	794.11	1,749.12	3,455.35	11,095.72
23	Sikkim	10.71	3.09	3.34	103.99
24	Tamil Nadu	1,517.09	920.88	1,859.74	14,269.98
25	Telangana	86.37	1,367.37	956.12	8,061.20
26	Tripura	18.80	5.93	3.61	225.12
27	Uttarakhand	61.00	97.01	146.23	649.80
28	Uttar Pradesh	485.98	593.86	1,031.08	13,164.01
29	West Bengal	1,362.99	658.95	518.94	12,990.29
	Total (States)	11,939.76	12,504.10	17,768.60	1,52,280.96
	UT's				
1	Delhi				
2	Pudducherry	72.00	72.00	72.00	NA
	Total(UTs)	72.00	72.00	72.00	NA
	Grand Total (States/ UTs)	12,011.76	12,576.10	17,840.60	

Source: Section-2 and Additional Disclosure to Statement no. 15 of Union Govt. Finance Accounts

Source: Office of Chief Controller of Accounts

