



The Central Government releases Special Central Assistance to various States to expedite their completion of area specific ongoing approved Schemes in order to fulfill the development agenda in Backward Region

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The Union Government has been assisting the State Governments and providing "Special Assistance" with a view to expediting their completion of area specific Schemes. This assistance is provided in view of the Government of India's commitment to fulfilling the development agenda in backward region notwithstanding the fact that the State Plan Schemes including BRGF (State Component) are subsumed in larger devolution of Union Taxes and Duties to the States in terms of Recommendations of the 14th Finance Commission (FFC) and are delinked from the Union support with effect from 2015-16.

In this regard, following the recent release of Rs.200 crore to the State of Bihar, the Central Government has decided to provide further "Special Assistance" of Rs.1129.40 crore to the State during 2016-2017 for completion of the approved ongoing projects under Special Plan for Bihar. These releases are in continuation to the release of Rs.1,887.53 crore which was made by the Central Government during the year 2015-16. Including the present release of Rs.1129.40 crore, the Central Government has so far released Rs.6934.61 crore to the State of Bihar. The Central assistance would facilitate completion of ongoing projects such as strengthening of sub-transmission system (including capacity augmentation) in North and South Bihar, renovation and modernization of Barauni and Muzaffarpur Thermal Power Stations, construction of transmission system at Kishanganj with associated transmission lines, The release of fund would accelerate the completion of much needed power generation and transmission system of Bihar which in turn would lead to higher availability of electricity for the people of the State.

The Central Government in order to honour its spill-over committed liability had recently released Special Assistance of Rs.367.93 crore to Odisha during 2016-17. This is the Final Instalment for funding of projects under Special Plan for the KBK districts (districts of Koraput, Bolangir and Kalahandi reorganized into eight districts). The plan had an approved amount of Rs. 1,250 crore for the 12th Plan period. The Special Plan for the KBK districts has been in operation since 2002-03. The area spreads over 47,646 sq. km. comprising mainly rural population (89.95%) with a large proportion of STs (38.41%) and SCs (16.25%) as per 2001 Census. The Schemes taken up under this are largely for Promotion of Education among ST/SC Girls and Boys including development of playgrounds/sports activities in hostels and schools, Improvement of Inter-District roads/other major roads/Rural roads; Strengthening of Electric Supply Systems and Lift Irrigation/Deep Bore-wells/Check Dams.

Further, keeping in mind the special needs of the State of Jammu & Kashmir, the Central Government had released Rs.1194.37 crore during 2015-16, for completely damages /severely damaged/partially damaged houses. Subsequently, during 2016-17, the Central Government has made a further release of Rs.2207.30 crore to the State of Jammu & Kashmir. This includes Rs.1093.34 for permanent restoration of damaged structure, Rs.313.96 crore for counterpart funding for Asian Development Bank-II loan under EAP projects of J&K Urban Sector Development Investment Programme (JKUSDIP) in order to complete the ongoing projects and Rs.800 crore for interest subvention on assistance for the restoration of livelihood for traders/self employed/business establishments etc. Cumulatively, the Central Government has so far released Rs.3401.67 crore to the State as Special Assistance.

Similarly, the Central Government has used the Special Assistance to support the newly formed States Of Andhra Pradesh and Telangana. A further release of Rs.1,976.50 crore to the State Of Andhra Pradesh was made during the Current Financial Year 2016-17. The amount included Rs.1176.50 for bridging the Resource Gap arising-out of the bifurcation of the erstwhile State, Rs.350 crore for the development of 7 Backward Districts of Anantpur, Chittoor, Cuddapah, Kurnool, Srikakulam, Vizianagram, and Vishakhapatnam and Rs.450 crore as assistance to the capital city, Amaravati. These additional resources from the Central Government would enable the State to devise and implement schemes best suited for mitigation of backwardness and alleviation of poverty. In addition, grant of Rs.100 crore was released for Polavaram Irrigation Project. Further, release of Rs.1981.54 crore was made to the state through NABARD on 27.12.2016 as Central assistance for Polavaram Irrigation Project by the Ministry of Water Resources, River Development & Ganga Rejuvenation MoWR, RD & GR.

Further, in keeping with its commitments to support the development of backward areas of Telangana, the Central Government had provided a further “Special Assistance” of Rs.450 crore to the state. The Backward Districts which are being supported with this development fund are Adilabad, Nizamabad, Karimnagar, Warangal, Medak, Mahbubnagar, Rangareddy, Nalgoda and Khammam where the work of creating road network has been taken-up.

The State of Tamil Nadu has also been a beneficiary of this Special Assistance. An amount of Rs. 200 crore was released to the state to resolve the issues affecting processing industry in Tirupur (Tamil Nadu), for adoption of Zero Liquid Discharge by 18 Common Effluent Treatment Plants (CETPs). This provision will help the industries to minimize pollution and it will be a step towards clean environment.

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