

**GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:3568

ANSWERED ON:15.12.2006

NON UTILISATION OF FUNDS MEANT FOR RURAL DEVELOPMENT

Ahir Shri Hansraj Gangaram

Will the Minister of RURAL DEVELOPMENT be pleased to state:

- (a) Whether the Government is aware that the funds released to the State Governments for rural development are not spent under the plan head ;
- (b) If so, the number of state Governments with which these funds have been lying unspent due to non utilisation of these funds under the plan head ;
- (c) The names of the State Governments which have not furnished utilization certificates in respect of funds under the plan head and the details of such funds ; and
- (d) The steps taken by the Government to ensure that the funds released for rural development are utilized as per the plan head ?

Answer

MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRIMATI SURYAKANTA PATIL)

(a) to (c) The Programmes of the Ministry of Rural Development are implemented through the State Governments/ District Rural Development Agencies

(DRDAs)/Zilla Parishads (ZPs). The State Governments are required to utilise the funds to the maximum extent, as per the programme guidelines. However, due to practical difficulties like natural calamities, floods, drought and elections of the public representatives, the available resources are not sometimes fully utilized. Utilization Certificates and Audit Reports in respect of funds released are required to be furnished to receive further instalment of funds.

(d) The Ministry of Rural Development has developed a comprehensive system of monitoring the implementation and impact of the Programmes including utilization of funds, through Periodical Progress Reports, Performance Review Committee meetings, Area Officer's Scheme. National Level Monitors, District Level Monitoring and Vigilance & Monitoring Committees at the State/District Level. Besides, the States have been advised to adopt a five-pronged strategy consisting of

- (i) creation of awareness about the schemes,
- (ii) transparency,
- (iii) People's participation,
- (iv) accountability/social audit and
- (v) strict vigilance and monitoring at all levels. These measures are to help in maximum utilization of funds under the rural development schemes.