

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:3928  
ANSWERED ON:31.07.2009  
UNACCOUNTED FUNDS  
Ananth Kumar Shri

**Will the Minister of FINANCE be pleased to state:**

(a) whether the Comptroller and Auditor General of India (CAG) has detected that over Rs.51,000 crores allocated to various NGOs and other organisations under various schemes of the Government has been unaccounted for during last few years;

(b) if so, the details thereof; and

(c) the reasons therefor and the action taken by the Government in this regard?

**Answer**

Minister of State in the Ministry of Finance(NAMO NARAIN MEENA)

(a), (b) & (c) C&AG in the Report No.13 on Union Government Accounts for 2007-08, had made a reference to Statement No.18 of Expenditure Budget Vol.I, 2008-09, which indicated a Budget provision (Revised estimates 2007-08), of Rs 51259.8 crores, for transfer of Central Plan assistance directly to State/district level autonomous bodies and authorities, societies, non-governmental organizations etc. for implementation of Centrally sponsored schemes. CAG had observed that the expenditure of Government of India was overstated to this extent.

In the system of accounting followed in Government of India, the "releases of funds" made by Government of India to such State / district level autonomous bodies and authorities, societies, non-governmental organizations under various approved schemes are treated as expenditure in the books of Government of India, as per the accounting principles laid down on the advice of C&AG. Institutions or organizations receiving funds through such releases maintain subsidiary accounts as per General Financial Rules of Government. The accounts of all grantee institutions or organizations are open to inspection by the sanctioning authority and C &AG.

Therefore, money released to various NGOs and other organizations under various schemes by the Government is not unaccounted for.