

**GOVERNMENT OF INDIA
PLANNING
LOK SABHA**

UNSTARRED QUESTION NO:4533

ANSWERED ON:21.12.2011

FLEXIBILITY FOR STATES IN CENTRALLY SPONSORED PROJECTS

Panda Shri Baijayant;Pradhan Shri Nityananda

Will the Minister of PLANNING be pleased to state:

- (a) whether there is proposal to grant more flexibility to states in centrally sponsored schemes;
- (b) if so, the details thereof;
- (c) the extent to which this would help the States to attend to urgent works not included in the programme, to accomplish the task;
- (d) whether it is proposed to create flexi funds at the level of each Ministry in accordance with the requirements;
- (e) if so, the details thereof; and
- (f) the extent to which this would help for timely and positively execution of projects in the States without seeking approval of the Centre from time and again?

Answer

MINISTER OF STATE FOR PLANNING, SCIENCE & TECHNOLOGY AND EARTH SCIENCE (DR. ASHWANI KUMAR)

(a) to (c): The Sub-committee set up for suggesting restructuring of centrally sponsored schemes (CSS) to enhance its flexibility and efficiency under the chairmanship of Shri. B. K. Chaturvedi, Member, Planning Commission has recommended building flexibility in design of CSS that would enable State Governments to meet their special needs. The committee has also recommended providing flexibility in physical and financial norms of the scheme and laid down the procedure for affecting the same. The detailed report of the committee is available in the website of Planning Commission (<http://planningcommission.nic.>). The committee observed that this flexibility would enable the States to undertake projects that would help them meet the developmental gaps and ensure effective implementation of the CSS.

(d) to (f): The Committee has recommended that 20 per cent of budget allocation in all the CSS (10 per cent in Flagship Schemes) may be earmarked as 'Flexi Funds' in each scheme for which guidelines should be notified by the Ministries concerned. Such funds may be used by the State Governments on sub-schemes or components of the CSS. It is expected that this flexibility would optimize the use of resources of States and the Centre and promote an effective convergence of schemes and objectives.