GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA

UNSTARRED QUESTION NO:1777
ANSWERED ON:05.03.2015
FUNDS UNDER RURAL DEVELOPMENT SCHEMES
Shrirang Shri Chandu Barne;Yadav Shri Dharmendra

Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) Whether the funds released by the Government for rural development schemes and programmes are parked at various implementation levels and remains unspent balances;

(b) if so, the details thereof;

(c) whether one-third of the funds released to the States remain unspent adversely affect implementation of these schemes and if so, the details thereof;

(d) whether the Government has proposed new mechanism to get rid of problem of "unspent funds" and if so, the details thereof; and

(e) whether new system would ensure timelines in the release of funds as per the requirements, reduction in delay of funds flow and eliminate unutilized funds and if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRI SUDARSHAN BHAGAT)

(a) & (b) As per the Outcome Budget of Department of Rural Development as on 31.12.2012 and 31.03.2014, Rs. 26369.03 crore and Rs. 13922.44 crore funds respectively remained as unspent balance with the States and implementing agencies under major schemes of rural development.

(c) to (e) The Ministry reviews the physical and financial progress in the States through periodic meetings of the Performance Review Committee, monitoring through National Level Monitors, field visits by Area Officers to various states, etc. The Ministry has also put in place programme specific On-line Management Information System. The States/UTs are persuaded during the course of Performance Review Committee meetings and during other review meetings to accelerate the pace of expenditure and to achieve the physical and financial targets. Letters in this regard are also sent to the States from time to time. Ministry has developed an electronic Fund Management System (e-FMS) which enables direct crediting of wages into beneficiaries accounts, captures real time transactions, eliminating delays and leakages.