

**GOVERNMENT OF INDIA
PLANNING
LOK SABHA**

UNSTARRED QUESTION NO:4379
ANSWERED ON:08.08.2014
ADMINISTRATIVE REFORM
Ram Mohan Naidu Shri Kinjarapu

Will the Minister of PLANNING be pleased to state:

- (a) whether the Planning Commission has any statutory power to oversee the utilisation of plan fund in States;
- (b) if so, the details thereof;
- (c) if not, whether the Government proposes to implement administrative reforms in this regard; and
- (d) if so, the details thereof?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) MINISTRY OF PLANNING, MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION AND MINISTER OF STATE FOR DEFENCE (RAO INDERJIT SINGH)

(a) to (d): Planning Commission does not have statutory power to oversee the utilization of plan funds in States. Plan assistance from the Centre under various schemes are released by the concerned Administrative Ministries to States following the scheme guidelines. The guidelines inter-alia include submission of utilization certificates (UCs) by States from time to time. The audit of expenditure is conducted by the Comptroller & Auditor General (C&AG) of India and reports of C&AG are placed in State legislature & Parliament. These C&AG Reports are also discussed in the Public Accounts Committee (PAC) of the State legislatures & Parliament. In order to track the expenditure for various schemes, the Government has approved national roll-out of Public Financial Management System (PFMS) in coordination with State Governments. On its full implementation, it would be possible to get a real time information on utilization of funds across all plan schemes throughout the country.