

**GOVERNMENT OF INDIA  
PLANNING  
LOK SABHA**

UNSTARRED QUESTION NO:1057  
ANSWERED ON:28.11.2014  
FUNDS ALLOCATED TO STATES  
Kateel Shri Nalin Kumar;Simha Shri Prathap

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

- (a) the details of funds allocated by the Government through devolution, Plan Grants and non-Plan Grants, State/UT-wise;
- (b) the details of funds disbursed and the funds utilised, scheme and State/UT-wise;
- (c) whether the Government proposes to increase the funds to States;
- (d) if so, the details thereof, State/UT-wise including Karnataka;
- (e) whether the Government has given direction/ instructions to the States to ensure maximum earnings from the available resources in the annual plans every year and if so, the details thereof; and
- (f) whether some of the States have increased the plan amount through their resources during the last two years and if so, the details thereof, State/ UT-wise?

**Answer**

MINISTER OF STATE (INDEPENDENT CHARGE) FOR MINISTRY OF PLANNING AND MINISTER OF STATE FOR DEFENCE  
(RAOINDERJIT SINGH)

(a) & (b) The transfers of resources from the Union Government to the States are mainly through Planning Commission and Finance Commission. The transfer from the Finance Commission relate to Non Plan Grants and Tax devolution to States which are as per the recommendation/award of the Finance Commission. The transfer of funds to States also take place from the Plan side and do by Planning Commission & other line Ministries/ Departments. These are done through Central Assistance to State Plan, Centrally Sponsored Schemes and Central Sector Schemes. However, Union Government has restructured the Centrally Sponsored Schemes and merged it with Central Assistance to State & UT Plans w.e.f. 2014-15 BE. The quantum of resources transfer to States/ UTs through theses two routes ( Non Plan including Tax Devolution and Plan) during 2010-11 to 2014-15 BE is placed at Statement – I. On the basis of recommendation made by Finance Commission, the releases of Non-Plan Funds and Tax Devolution are made by the Department of Expenditure, Ministry of Finance. Plan Grants are decided in the Annual Plan discussion of Planning with State Government. Most of the Plan Grants are scheme based and lies with the line Ministries/ Departments. They release this on the basis of available resources to them and existing scheme guidelines. All these Plan releases are trapped & monitored electronically in real time basis through Public Financial Management System (earlier known as Central Plan Schemes Monitor Schemes) controlled by Office of the Controller General of Accounts, Ministry of Finance.

(c) & (d) The resources for various Plan schemes of the Government are initially approved by Parliament in respective Demands for Grants of Ministries/ Departments as Budget Estimates (BE). The Supplementary Demands for Grants during the course of the year are also placed before Parliament. Finally, the Union Budget for the next year provides Revised Estimates (RE) for the current year for the schemes of Ministries/Departments after taking into consideration the probable expenditure during the year. The probable expenditure depends on several factors such as availability of resources, absorption capacity, previous balances, submission of utilization certificates by States and other requirements. The Revised Estimates (RE) for different Government schemes may either be same as Budget Estimates (BE) or may be more/less than BE. The State-wise releases under different Plan schemes during 2012-13 to 2014-15 (upto 24/11/2014) is placed at Statement - II.

(e) & (f) Planning Commission in its interaction with States encourages efficiency in resource use as well as increase in the share of Own Resources in Plan financing. The table indicating the States which have increased their Plan Outlay inter-alia through their own resources and percentage increase in plan outlay & their own resources in 2013-14 over 2012-13 and 2014-15 over 2013-14 is placed at Statement - III and Statement - IV, respectively.