

**GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF EXPENDITURE**

**LOK SABHA  
UNSTARRED QUESTION NO. 1757  
TO BE ANSWERED ON FRIDAY, 27th July, 2018  
5 SHRAVANA, SAKA 1940**

**Funds to States**

**1757. SHRI SUNIL KUMAR MONDAL:**

Will the Minister of FINANCE be pleased to state:

- (a) the details of basis for allocation of funds under various development schemes;
- (b) whether the Government proposes to allocate more funds to the States which are performing well in implementation of the schemes and if so, the details thereof; and
- (c) whether any guidelines have been issued in this regard and if so, the details thereof?

**ANSWER**

**MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI PON. RADHAKRISHNAN)**

(a to c):

Funds are allocated by the Ministry of Finance to the schemes on the basis of the total fiscal space available, the indicative Medium Term Expenditure Framework (MTEF) allocated to the Ministry, the sanctioned /approved total amount of outlay for a scheme and year-wise amount approved for the same and the physical and financial progress of the scheme . Allocation of funds to the States is made under various welfare schemes by the Ministries/Departments concerned on the basis of the approved guidelines of the schemes. The releases made to the States are governed by General Financial Rules (GFR) and availability of funds within Gross Budgetary Support (GBS) with the Central Government. There is no allocation of funds to the States based on performance for the implementation of developmental schemes.

\*\*\*\*\*