

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

**LOK SABHA
UNSTARRED QUESTION NO. 2409**

Answered on Monday the 13th December, 2021/Agrahayana 22, 1943 (Saka)

Centrally Sponsored Schemes

2409. SHRIMATI PRAMILA BISOYI:

Will the Minister of Finance be pleased to state:

- (a) Whether the Government proposes to consider allowing flexibility to the State Governments for the operation of Centrally Sponsored Schemes (CSS) directly through the treasury systems instead of opening separate scheme based bank accounts;
- (b) if so, the details thereof;
- (c) the details of schemes in which the funds from the Government are directly released to State/District Implementing Agencies, by-passing State Budgets; and
- (d) Whether the Government proposes to consider sending funds for schemes through State Budget and hence routing through the treasury system and if so, the details thereof?

ANSWER

MINISTER OF STATE FOR FINANCE

(SHRI PANKAJ CHAUDHARY)

- (a) & (b): No Such proposal is under consideration of the Ministry of Finance.
- (c) Government of India is implementing various Centrally Sponsored Schemes (CSS). Funds under CSS are released by the nodal Ministry/Department concerned, as per allocation among the States/UTs. Each CSS is being administered by the Nodal Ministry/Department and its operational guidelines inter-alia includes explicit information about implementation modalities, fund flow, release and disbursal mechanism. The funding pattern of CSS also varies and it is subject to their guidelines and approval of appropriate authority.

- (d) Ministry of Finance allocates budgetary outlays on various Centrally Sponsored Schemes (CSS) to various Ministries/Departments through the Expenditure Budget. Ministries/Departments in turn allocate the same among the States/UTs. In case of CSSs, the funds largely flow from the Consolidated Fund of India to the Consolidated Fund of the State (State Treasuries). To establish an efficient funds flow system, the funds of CSSs are released to the States through the Public Financial Management System (PFMS).
