

## Major Union Government Schemes Plagued by Fund Delay: Accountability Initiative Analysis

*Welfare receives lukewarm attention in Budget 2023.*

**New Delhi, 1 Feb 2023:** This year's Budget has placed special emphasis on inclusive development and reaching the last mile. But analysis of 12 major Government of India (GoI) schemes by the Accountability Initiative at the Centre for Policy Research has shown a sluggish pace of fund releases in many of the schemes.

The analysis is part of Accountability Initiative's Budget Briefs research publication. It was found that approved funds had not been released to the states even till December, three quarters into the Financial Year (FY). For instance in FY 2022-23, under Ayushman Bharat insurance scheme, only 18 per cent of the Revised Estimates (REs) for the year had been released till December 2022. Similarly, GoI had released only 60 per cent for the year's REs till 30 November 2022 for Samagra Shiksha (GoI's flagship education scheme).

*"This Budget has taken the decision to push capital expenditure with the hope that it leads to a multiplier effect in growth and employment. This is also reflected in its decision to push several infrastructure schemes such as drinking water and housing. But some other key welfare schemes of the Indian government have been under-prioritised. These include the MGNREGS and schemes related to health, education, and nutrition. Fund allocations for MGNREGS, for instance, are lower even than pre-pandemic levels. This is concerning.*

*"Also, if you now take into account the fact that funds promised at the start of the year are reaching states in a delayed manner as we have seen in some schemes, this can lead to the schemes not being able to deliver on their goals,"* says Avani Kapur, Lead, Accountability Initiative (Centre for Policy Research), and Senior Fellow at the Centre for Policy Research.

Meanwhile, funding of 6 out of 12 schemes has increased (Revised Estimates compared to Budget Estimates), but the government's largest Centrally Sponsored Scheme - MGNREGS - has seen the biggest decline.

### **Schemes that have seen a sharp drop in fund allocations are:**

- [MGNREGS](#) (₹60,000 crore in FY 2023-24 Budget Estimates) or 33 per cent lower than FY 2022-23 Revised Estimates (REs) which were ₹89,400 crore.
- For [Food Subsidy](#) (which now subsumes the Pradhan Mantri Garib Kalyan Anna Yojana), allocations stood at ₹1,97,350 crore in FY 2023-24 Budget Estimates (BEs). This was a 31 per cent decrease from the previous year's REs.
- [Smart Cities Mission](#) has been allocated ₹8,000 crore in the BEs, which is 9 per cent lower than the REs for FY 2022-23.
- [PM POSHAN](#) (previously known as the Mid-Day Meal scheme) has been allocated ₹11,600 crore BEs, which is 9 per cent lower than the REs for FY 2022-23.

### Schemes that have seen an increase include:

- [Jal Jeevan Mission](#) (₹70,000 crore for FY 2023-24 as per BEs) or a 27 per cent increase over the previous year's REs. The Mission is scheduled to end in 2024.
- ₹37,453 crore has been allocated for [Samagra Shiksha](#) as per BEs, which is 13 per cent higher than the REs for FY 2022-23 but nearly the same as the BEs.
- For [Pradhan Mantri Awaas Yojana - Gramin](#) (PMAY-G), GoI allocated ₹54,487 crore as per the BEs. This is 13 per cent more than the previous year's REs of ₹48,422 crore.
- ₹7,200 crore has been allocated to [Ayushman Bharat Pradhan Mantri Jan Arogya Yojana](#) in the BEs. This is a 12 per cent increase over the previous year's REs, which stood at ₹6,412 crore.
- [National Health Mission](#) has been allocated ₹35,947 crore, which is an 8 per cent increase compared to the previous year's REs but a 3 per cent decline from the BEs.

Meanwhile, [Saksham Anganwadi and Poshan 2.0](#), which has been allocated ₹20,554 crore, has seen only a 1 per cent increase from previous year's REs.

Schemes by the Union government have an important role to play. It is through them that the Union government prioritises development in the states and can make sure that a minimum quality of public services is provided to citizens throughout the country. For most schemes, funds are shared between the Union government and the states in a 60:40 ratio. For North Eastern Region (NER) states and Himalayan states, the ratio is 90:10. (Exact details for each scheme are available in individual briefs which can be accessed from [here](#).)

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## NOTES FOR THE EDITOR

### About the Accountability Initiative at the Centre for Policy Research

The Accountability Initiative is a research group which has worked since 2008 on strengthening transparency and accountability in governance. We have done this through evidence-based research on state capabilities and factors affecting efficient public services delivery in India. We are operational in 6 states — Bihar, Himachal Pradesh, Madhya Pradesh, Maharashtra, Meghalaya, and Rajasthan. Our research studies have been multi-sectoral and include studies on budgets, governance processes, and public administration across social sectors like education, health and nutrition, and sanitation.



Our vision is to enable Responsive Governance. We believe this can be achieved if government institutions are designed in a transparent and accountable manner and are responsive to citizen demands, and an informed and mobilised citizenry which can draw upon these platforms. Our mission is to increase both through research and dialogue.

We are a part of the Centre for Policy Research, one of India's leading public policy think tanks.

### **About the Budget Briefs**

The Budget Briefs are a flagship research publication of the Accountability Initiative. These briefs are published annually in the run-up to the Union budget. The [current volume](#) is the 15th volume.

### ***Methodology***

The Budget Briefs seek to understand the status, progress, and performance of key social sector programmes. These use secondary data and information sourced from government websites, dashboards, parliamentary questions and reports, RTI queries, among other public sources. The analysis is both at the union and state levels, and covers scheme trends and gaps in allocations, fund releases, expenditures, service provision, coverage, outputs, and outcomes.

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