

FinMin to vet ongoing schemes for 16th Finance Commission

Ministries asked for five-year outlays, outcome assessments

RUCHIKA CHITRAVANSHI

New Delhi, 13 November

The government has asked all ministries and departments to furnish additional details for central sector and centrally sponsored schemes that are ending or continuing beyond March 31, 2026, as it prepares to align scheme allocations with the 16th Finance Commission cycle, according to an official memorandum from the Department of Expenditure.

The details sought include departmental comments on findings from third-party evaluations, year-wise allocations for proposed schemes over the next five years, and information on components being dropped or modified, along with justifications.

The Department of Expenditure had last issued an official memorandum on June 6, 2025, providing guidelines for the appraisal and approval of schemes ending in the current financial year.

The 16th Finance Commission cycle begins on April 1, 2026. For centrally sponsored schemes, min-



ILLUSTRATION: AJAYA MOHANTY

istries have been asked to share the funding ratio between the Centre and states and specify any changes in cost norms.

Emphasising that every scheme must have a sunset clause, the government has asked ministries to outline the interventions planned to meet this requirement.

The finance ministry has also sought details of all posts created under existing schemes — both contractual and regular — including the number of persons engaged, financial implications, and proposals for

Taking stock

- Details sought include year wise allocation for proposed schemes for the next five years and components being dropped among others
- In case of the centrally sponsored schemes, the government has asked ministries to share the funding ratio between the Centre and States
- Ministries have been asked to give information on interventions planned to fulfill this clause

additional posts with corresponding funding requirements.

For all such schemes, ministries and departments must also provide a diagrammatic representation of the implementation structure down to the field level, along with the flow of funds to targeted beneficiaries.

To line up the schemes with the financial resources of the Centre and states, these programmes were made coterminous with Finance Commission cycles. The 15th Finance Commission cycle will conclude on March 31, 2026.