

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3964
ANSWERED ON:09.08.2002
FUNDS FOR DEVELOPMENT OF BACKWARD DISTRICTS
PADAMSEN CHAUDHARY;RAMPAL SINGH

Will the Minister of FINANCE be pleased to state:

- (a) whether the Union Government propose to provide financial assistance to the State Governments for the development of backward districts;
- (b) if so, the details thereof;
- (c) whether the Union Government have put any condition before the State Governments in this regard; and
- (d) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE & COMPANY AFFAIRS (SHRI ANANT G. GEETE:)

(a) to (d) :Planning and Development of an area within a State and allocation of funds for this purpose are primarily the responsibility of the concerned State Governments. The Central Government supplements the efforts of the State Governments in its development, through releases under the award of the Finance Commissions, releases of Central Assistance for State Plan and through assistance under various Central Sector and Centrally Sponsored Schemes.

The backwardness of the State is taken into consideration by the Finance Commission while determining their award. The allocation of assistance for State Plans is based on the Gadgil Mookerjee formula wherein eighty percent weightage is given to population and per capita income below the national average. Besides, the Central Government has announced a new scheme during 2002-03 called the Jai Prakash Rozgar Guarantee Yojana (JPRGY) to provide guaranteed employment to the unemployed in the most distressed districts of the country. The State Government can avail of assistance available under various Programmes aimed at poverty alleviation, infrastructure development and social security to improve the quality of life in the Backward Districts within the State.