

**GOVERNMENT OF INDIA  
PLANNING  
LOK SABHA**

STARRED QUESTION NO:132

ANSWERED ON:14.07.2004

AMENDMENT TO GADGIL-MUKHERJEE FORMULA

Singh Shri Dushyant

**Will the Minister of PLANNING be pleased to state:**

- (a) whether the Government proposes to amend Gadgil-Mukherjee Formula ;
- (b) if so, the views of the State Governments thereon; and
- (c) the steps being taken to make necessary amendment in the said formula ?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI M. V. RAJASEKHARAN)

(a) to (c) : A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (c) OF LOK SABHA STARRED QUESTION NO.132 REGARDING AMENDMENT TO GADGIL- MUKHERJEE FORMULA BY SHRIDUSHYANT SINGH DUE FOR ANSWER ON 14.7.2004

(a) & (b) : The Planning Commission has received proposals from various State Governments to amend the existing Gadgil-Mukherjee Formula for allocating Normal Central Assistance to State Plans. There is wide divergence in the views amongst the States in this regard. In general, while the advanced States have sought higher weightage for Performance, the less advanced States have sought higher weightage for Backwardness. This issue was considered in a meeting of the Full Planning Commission held on 27th and 29th June, 2001. Since revision in the Formula requires the approval of National Development Council (NDC), it was decided that given the difference of opinion among the State Governments and the sensitivity of this issue, it was necessary to discuss this further and evolve a consensus before alternatives are considered by the NDC.

(c): Does not arise.