

**GOVERNMENT OF INDIA
PLANNING
LOK SABHA**

UNSTARRED QUESTION NO:3577
ANSWERED ON:22.12.2004
DEVELOPMENT OF BIMARU STATES
Virendra Kumar Shri

Will the Minister of PLANNING be pleased to state:

- (a) whether the Government is aware of the growing gap between the developing and under-developed States in the country;
- (b) if so, the steps taken to reduce the gap;
- (c) whether any action plan is proposed to be formulated to develop the BIMARU States; and
- (d) if so, the details thereof?

Answer

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

(a): Yes, Sir.

(b): The issue of regional disparities amongst the States are addressed through the Gadgil-Mukherjee Formula for allocation of Plan funds to the States and through Central Assistance for earmarked sectors/schemes. According to the Gadgil-Mukherjee Formula, due weightage is given to factors such as income of the State as compared to the National average and to special problems of the States, amongst others, while allocating Central Assistance. In addition, a core element in the Planning Commission's Tenth Plan strategy towards reducing regional disparities is the targeting of less developed areas with provisions of funds for capital investments and innovative delivery mechanisms linked to institutional reforms.

(c)&(d): A new scheme called the Rashtriya Sam Vikas Yojana (RSVY) has been introduced from the Tenth Plan to assist the development of less developed regions and districts including districts of the so-called BIMARU (undivided Bihar, undivided Madhya Pradesh, undivided Uttar Pradesh and Rajasthan) States. Under the Backward Districts Initiative of RSVY, identified backward districts are eligible to get Central Assistance @ Rs.15 crore per year for three years. A total of 69 districts of the BIMARU States are covered under this Backward District Initiative.