

**GOVERNMENT OF INDIA
PLANNING
LOK SABHA**

STARRED QUESTION NO:166

ANSWERED ON:31.07.2015

Special Packages to States

Patil Shri Bheemrao Baswanthrao; Ram Shri Vishnu Dayal

Will the Minister of PLANNING be pleased to state:

- (a) the facilities and incentives granted to Special Category States;
- (b) whether some of the States have desired special package for the socio-economic development of backward, tribal and hilly areas, if so, the details thereof and the action taken thereon, State/UT-wise;
- (c) whether States have also sought Special Economic Packages (SEPs) for the overall accelerated growth and development and if so, the details thereof, State/UT-wise; and
- (d) if so, the funds allocated, released under special package and utilized during the last three years and the current year, State/UT-wise?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) FOR MINISTRY OF PLANNING AND MINISTER OF STATE FOR DEFENCE

(RAO INDERJIT SINGH)

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

Statement referred to in reply to Part (a) to (d) of Lok Sabha Starred Question No. *166 by Shri Bheemrao B. Pati & Shri Vishnu Dayal Ram regarding 'Special Packages to States' to be answered on 31.07.2015

(a) The facilities and incentives granted to Special Category States are –

- (i) The major portion of the Normal Central Assistance (56.25%) was distributed to eleven Special Category States and the remaining (43.75%) among eighteen General Category States till Financial Year 2014-15.
- (ii) Only Special Category States were provided Special Plan Assistance (for projects) (90% grant) and Special Central Assistance grants (untied) (100% grant) till Financial Year 2014-15. The amounts were on a need basis subject to availability of funds within the overall Gross Budgetary Support (GBS).
- (iii) Assistance for Externally Aided Projects (EAPs) flows to Special Category States as 90 per cent grant whereas for General Category States, it flows as back-to-back loans.
- (iv) The State share in Centrally Sponsored Schemes (CSS) is usually lower for Special Category States, especially the States of North Eastern region as compared to General Category States.

(b) & (c): Funds were provided to States for their Socio-Economic Development including development of backward, tribal and hilly areas under different schemes namely, Backward Region Grant Funds (BRGF), Hill Area Development Programmes (HADP), Special Central Assistance to Tribal Sub-Plan, Assistance for schemes under Proviso (i) to Article 275 (1) of the Constitution, Integrated Action Plan to develop Tribal and backward Districts in LWE Areas, etc. In addition, the funds were also provided under Normal Central Assistance to all States and Special Central Assistance to Special Category States which were untied in nature and States could use these funds as per their requirement for their overall Socio-Economic Development. Special Plan Assistance meant for Special Category States and Additional Central Assistance for other Projects meant for General Category States were also provided. However, as a result of higher devolution of taxes to States from 32% to 42% as per the 14th Finance Commission, which provides 10% more untied funds to States, these schemes have been discontinued in Union Budget w.e.f. Financial Year 2015-16 except Special Central Assistance to Tribal Sub-Plan and Assistance for schemes under Proviso (i) to Article 275 (1) of the Constitution.

Special packages for different sectors have been sought by some States in past. In 2015-16, Bihar & Odisha have sought Special Package for their overall Socio-Economic development for different sectors.

(d): The States & UTs - wise funds allocated and released under different special packages during the last three years are tabulated

below. There is no budget provision for Special Package in Financial Year 2015-16.

Rs. Crore

Sl. No.	States Name & Special Packages	2012-13	2013-14	2014-15
	Allocation Releases	Allocation	Releases	Allocation Releases
1	Bihar - Special Plan	1500.00	800.43	2500.00 2052.98 2000.00 864.37
2	Madhya Pradesh - Special Plan for Bundelkhand Region	625.09	455.23	375.00 288.51 375.00 8.00
3	Odisha - Special Plan for KBK Districts	250.00	250.00	250.00 250.00 187.50
4	Uttar Pradesh - Special Plan for Bundelkhand Region	1405.91	207.04	625.00 250.17 640.00 95.22
5	West Bengal - Special Plan	2000.00	1465.30	1250.00 627.36 1000.00 393.75
6	Assam - Prime Minister Package --	300.00	-- -- -- --	
7	Sikkim - Earthquake Package	200.00	200.00	300.00 300.00 300.00
8	Meghalaya - Special Package announced in the Budget --	18.84	-- -- -- --	
9	Jammu & Kashmir - PMRP	700.00	171.23	600.00 244.10 -- 45.61
10	Andhra Pradesh - Special Development Package --	-- -- -- --		350.00
11	Jammu & Kashmir - Flood Relief --	-- -- -- --		1000.00

Source: Allocation as per Scheme of Financing and releases as per subject matter Division, NITI Aayog.