

**GOVERNMENT OF INDIA  
MINISTRY OF PLANNING**

**LOK SABHA  
UNSTARRED QUESTION NO. 688  
TO BE ANSWERED ON 06.02.2019**

**SPECIAL CATEGORY STATUS**

**688. SHRI M. MURALIMOHAN:**

Will the Minister of PLANNING be pleased to state:

- (a) the number of States that have been granted Special Category Status (SCS);
- (b) the criterion followed for granting SCS; and
- (c) the reasons for not granting special status to the State of Andhra Pradesh?

ANSWER

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF PLANNING AND  
MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS  
(RAO INDERJIT SINGH)

(a) & (b) Eleven States granted Special Category Status are Arunachal Pradesh, Assam, Himachal Pradesh, Jammu & Kashmir, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura and Uttarakhand. Special Category Status for plan assistance has been granted in the past by the National Development Council (NDC) to some States that are characterized by a number of features necessitating special consideration. These features include: (i) hilly and difficult terrain (ii) low population density and / or sizeable share of tribal population (iii) strategic location along borders with neighbouring countries (iv) economic and infrastructural backwardness and (v) non-viable nature of state finances. Special Category Status has been granted based on an integrated consideration of these criteria.

(c) The Fourteenth Finance Commission recommended the transfer to the states by devolution and grants-in-aid for the period 2015-20 which was accepted by the Central Government. The Fourteenth Finance Commission (FFC) in its recommendations has not made any distinction between General Category States and Special Category States in the horizontal distribution of shareable taxes amongst the States. As per the recommendations of the Fourteenth Finance Commission, the States' share of Central taxes has increased from 32% earlier to 42% for the period 2015-2020. Also, post-devolution revenue deficit grants have been provided to States where devolution alone could not cover the assessed gap. The 14<sup>th</sup> Finance Commission has recommended Revenue Deficit Grant of Rs.22,112 crore to Andhra Pradesh for the period 2015-20.

Even though special category status has not been conferred to the state of Andhra Pradesh, the Central Government has agreed to give a special assistance measure for Government of Andhra Pradesh for five years, which would make up for the additional Central share the State might have received during these years i.e, 2015-16 to 2019-20. This will be in the form of Central Government funding for externally aided projects for the state of Andhra Pradesh signed and disbursed during these years.

