

GOVERNMENT OF INDIA  
MINISTRY OF PLANNING

**LOK SABHA**  
**UNSTARRED QUESTION NO.217**  
TO BE ANSWERED ON 02.02.2022

**NITI AYOg'S REPORT ON BACKWARDNESS OF STATES**

217. SHRI RAJIV RANJAN SINGH ALIAS LALAN SINGH:  
SHRI KAUSHALENDRA KUMAR:

Will the Minister of PLANNING be pleased to state:

- (a) whether the Government has any plan to provide special status to Bihar State as given to J&K, Uttarakhand, Himachal Pradesh and North East to facilitate the Industrial Development in the State as per the Niti Ayog's reports on backwardness of Bihar and few other States which have slipped to last steps in the country;
- (b) if so, the details thereof; and
- (c) if not, the reasons therefor?

**ANSWER**

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF STATISTICS & PROGRAMME IMPLEMENTATION; MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS

**(RAO INDERJIT SINGH)**

(a) to (c): NITI Aayog has not released any Report on Backwardness of States. However, as per the National Multidimensional Poverty Index (MPI) Baseline Report released by NITI Aayog in 2021, Bihar has the highest proportion of multi dimensionally poor people, at 51.91% of the state's population, followed by Jharkhand at 42.16% and Uttar Pradesh at 37.79%.

The special category status was granted in the past by the National Development Council (NDC) to some States based on characteristics necessitating special consideration, such as, hilly and difficult terrain; low population density; strategic location along borders with neighboring countries; economic & infrastructural backwardness; and non-viable nature of State finances.

Subsequently, the Fourteenth Finance Commission (FFC) has not made any distinction between General Category States and Special Category States in the horizontal distribution of shareable taxes amongst the States. Taking into account the total requirements of the States and recommendations of Fourteenth Finance Commission, the Union Government has already increased the share of taxes to the States from 32% to 42% for the period 2015-20. The Fifteenth Finance Commission has also retained the increased devolution of funds with net shareable taxes to the States at 41% (1% reduction due to change in status of the erstwhile State of Jammu & Kashmir). The objective has been to fill the resource gap of each State to the extent possible through tax devolution and to provide more untied resources to the States. Further, Government of India also announced a special package of Rs 1.25 lakh crore for development of Bihar in 2015.

In this backdrop, there is no proposal to grant special category status to any State, including Bihar.

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