

if her personal affairs belonging to the State are not settled by Government; and

(b) if so, what steps have been taken by Government in this regard?

THE DEPUTY MINISTER IN THE MINISTRY OF HOME AFFAIRS (SHRI F. H. MOHSIN): (a) Yes, Sir.

(b) The estate of Bastar is under the management of the Court of Wards and the request of former Rajmata of Bastar for enhancement of her allowance and her other demands are under consideration of the Government of Madhya Pradesh who are primarily concerned with the matter.

Development of rural backward areas

1100. SHRI M. K. MOHIA: Will the Minister of PLANNING be pleased to state:

(a) whether some Members of Parliament have recently represented for allocation of funds for the development of rural backward areas in the country;

(b) if so, the decision taken thereon;

(c) the criteria for allocation of such funds; and

(d) the amount of funds proposed to be made available for the development of the backward areas in Bihar during the Fifth Five Year Plan?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI MOHAN DHARIA): (a) to (c) A memorandum on behalf of the Preparatory Committee of the All India Backward Districts Seminar and Conference consisting of the Members of Parliament was submitted to the Prime Minister. Comments of the Planning Commission on this representation are given in the statement enclosed.

(d) The Centre has under consideration a proposal to provide additional assistance to States for tribal areas. A view on the allocation of funds to Bihar as also to other States will be taken on the basis of sub-plans which are being prepared by the States in accordance with the Guidelines issued by the Planning Commission.

Statement

Suggestions	Comments
1. Planning and implementation of development programmes should be carried on in such manner that each area as it develops its own potentialities contributes to the total growth of the country. Each district should have a separate District Planning Board presided over and guided by elected representatives. This Board should formulate a master plan for its phased advancement fixing its own priorities for development.	District planning has been accepted as an important aspect of the strategy for national development. The planning Commission has been advocating the preparation of integrated district plans and has, in order to assist the States, circulated Guidelines for the Formulation of District Plans. These Guidelines have provided for the involvement of local officials and non-officials, progressive farmers, entrepreneurs and other representatives of the public. People's participation in the preparation of plans has been further emphasised in the context of the Fifth Five Year Plan. In a number of States, District Planning Committees/District Advisory Boards have been set up on which the Members of Parliament and legislatures are represented.
2. The amount which is being allotted to the States for the development of its backward districts should be specifically earmarked for each such district in the State and should be intimated to the District Boards accordingly.	The Planning Commission have suggested to the States that they should disaggregate the programme outlays, targets and plan resources for individual districts.

Suggestions

Comments

3. Keeping in view the magnitude of rural backwardness in all its aspects and the urgency of implementation of the accepted national objectives, for removing regional imbalances, a Backward District Development Authority should be constituted with full powers. It shall be the principal and the main coordinating body for coordinating efforts of all the various financial institutions and governmental agencies.

The development of backward areas is principally the responsibility of the State Government. In addition to the efforts of the States in this direction the Centre has, in successive Five Year Plans, taken up special programmes such as the DPAP, MFAL, SFDA and pilot projects for tribal development with a view to accelerating the development of selected backward areas. These measures will be continued and reinforced during the Fifth Five Year Plan. In addition, a National Programme of Minimum Needs aiming at removal of deficiencies in respect of elementary education, rural health, rural water supply, nutrition, rural roads, rural electrification and house sites for the hill areas is being taken up during the Fifth Five Year Plan. The States have also been requested to draw up integrated area development plans for the hill areas and sub-plans for the tribal areas. In view of these measures no proposal to constitute a separate Backward District Development Authority has been drawn up by the Centre.

4. The most urgent and effective step needed for achieving a balanced regional growth is the creation of basic infrastructure for the backward district. Irrigation facilities, power, roads, railway, banks, health educational facilities and rural service centres are the basic infrastructure which should be provided rapidly in all the backward districts. Thus, basic infrastructure will help in planning for any dispersal of industries to the backward districts and underdeveloped areas and for marketing agriculture produce. With this infrastructure, it is easy to increase production of either agriculture or industry and to remove poverty.

It is recognised that the development of backward areas is vitally linked up with the creation of basic infrastructure. Basically it is the responsibility of the concerned States to ensure that basic infrastructure facilities are provided in the backward areas in order to attract entrepreneurs for starting various kind of activities. It is expected that in the preparation of the District Plans this aspect would be taken care of by the concerned States.

5. An improved assessment should be made in respect of the basic infrastructure requirements and the needs of the 217 backward districts and its costs. Within the last two years of the Fourth Plan 500 crores of rupees should be set apart for building the basic infrastructures in these districts so that during the Fifth Plan these districts could provide the pace for full-fledged industrial as well as agro-industrial development. In the Fifth Plan a sum of at least Rs. 5,000 crores should be set apart for the development of backward areas on a district to district basis through the elected representatives.

The State Governments have been urged to provide adequately for the development activities in the backward districts. However, it does not seem possible to agree to the suggestion that a fixed proportion of funds should be allocated to the districts because the essence of district planning lies in selecting programmes which are relevant to the development of the district and evolved after a careful analysis of the local problems, resource endowment, potentials and capabilities for the individual district. In view of this, the financial requirement for the development activities in the individual districts should not be determined on a uniform basis. It is an accepted policy of the Government to make every attempt to ensure the development of industrially backward areas. Special preference is being given to the establishment of new capacities in licensing to the industrially backward areas subject to the fulfilment of technological and economic conditions. Various measures have also been taken for giving an impetus to the development of industries and areas which have so far remained industrially backward. Important among these are the introduction of a scheme of concessional finance and capital subsidy for the setting up of new industries or the expansion of the existing ones. Transport subsidy is also available in certain selected backward districts.

6. At the time of giving industrial licences a good percentage of the licences should be made compulsory for the backward (list) areas relevant to the economic potentials latest in each area or if the industries move to the backward districts there should be concession for those districts for a certain number of years. The Bank credit and financial assistance by term-lending financial institutions should be made available in large proportions to the underdeveloped areas.