

Reduction of assistance under CSS

1833. DR.T.N SEEMA: Will the Minister of PLANNING be pleased to state:

(a) whether the reduction of funds by Government related to amount of assistance being provided to the States for the centrally sponsored schemes such as Indira Awas Yojana, MGNREGA, Pradhan Mantri Gram Sadak Yojana, Rajiv Gandhi Grameen Vidyutikaran Yojana, etc. has impacted the implementation of the said schemes and affects the developmental works in certain States including Kerala;

(b) if so, Government's reaction in this regard; and

(c) the action plan of Government for balanced development of all regions in the country and to bring down inter-State disparity?

THE MINISTER OF STATE OF THE MINISTRY OF PLANNING (RAO INDERJIT SINGH): (a) and (b) The Budget Provision under Centrally Sponsored Schemes (CSSs) to the States for 2015-16 is ₹ 1.69 lakh crore against revised estimate of ₹ 1.97 lakh crore in 2014-15. However, the 14th Finance Commission has recommended an increase of 10% in State's share of net proceeds of Union taxes and duties. This increase from 32% to 42% underpins the laudable objective of giving the States' more financial autonomy. So, the increased devolution would undoubtedly increase the quantum of untied funds available to the States which could be utilized by the States for various schemes/programmes. The combined central transfers to the State from devolution of taxes and CSS in 2015-16 is about 29.6% more over 2014-15 revised estimate. The detailed break-up is as follows:

| Items | (₹ in crore) | |
|------------------------------------|-----------------------------|----------------------------|
| | 2014-15 Revised Estimate | 2015-16 Budget Estimate |
| Share in Central Taxes/ devolution | 3,37,808.45 | 5,23,958.24 |
| Provision under CSSs | 1,97,111.41 | 1,69,510.01 |
| TOTAL | 5,34,919.86 | 6,93,468.25 |

(c) All the transfers from Centre to the States whether through devolution or, various Centre Sector and Centrally Sponsored Schemes are meant for development of the States. However, specific scheme for the development of backward areas / regions in operation till 2014-15 known as Backward Regions Grant Fund (BRGF), was meant to provide development of these regions. The BRGF had two components, namely,

State Component and District Component. State Component covered Special Plans for Bihar, the Koraput, Bolangir and Kalahandi (KBK) districts of Odisha and West Bengal; Special Package for implementing Drought Mitigation Strategies in Bundelkhand Region of Uttar Pradesh and Madhya Pradesh (being handled by the concerned States Division).

From 2015-16, BRGF has become a part of the devolution to the States. Consequent upon the recommendations of the Fourteenth Finance Commission, no allocation has been made for the programme in Union Budget 2015-16. The higher tax devolution would give greater autonomy to the States to design and finance the schemes suited to the local needs and aspirations, including requirements to bridge the developmental deficit gap in backward regions. During 2015-16, an amount of ₹ 132.07 crore has been allocated for Special Plan for the KBK Districts, ₹ 1887.53 crore for Special Plan for Bihar and ₹ 836.77 crore for Special Plan for West Bengal as one time assistance towards earlier sanctioned projects.

Social inequality

1834. SHRI DARSHAN SINGH YADAV: Will the Minister of PLANNING be pleased to state:

(a) whether, according to 68th National Sample Survey Organisation, the poorest 10 per cent living in the country spend on an average only ₹ 16.8 per day to survive and half the rural population spend less than ₹ 35 per day, while in urban India, poorest 10 per cent on an average spend ₹ 23.4 per day while the richest 10 per cent spend ₹ 255; and

(b) if so, what steps Government has taken to reduce the social inequality amongst the rich and the poor and to reduce rising poverty in both rural and urban areas of the country?

THE MINISTER OF STATE OF THE MINISTRY OF PLANNING (RAOINDERJIT SINGH): (a) According to National Sample Survey Office's (NSSO) 68th round (2011-12) report titled "Key Indicators of Household Consumer Expenditure in India" released in June 2013, average Monthly Per capita Consumer Expenditure with Uniform Reference Period (MPCEURP) of the poorest 10% of India's rural population was ₹ 503.49 (*i.e.* ₹ 16.8 per day) and around half of the rural population was having MPCEURP less than ₹ 1035 (*i.e.* ₹ 34.5 per day) in 2011-12. For the urban areas, the report shows the poorest and richest 10% population had an average MPCEURP ₹ 706.7 (*i.e.* ₹ 23.6 per day) and ₹ 7636.9 (*i.e.* ₹ 254.6 per day) respectively in 2011-12.