

**GOVERNMENT OF INDIA
PLANNING
LOK SABHA**

UNSTARRED QUESTION NO:6445
ANSWERED ON:07.05.2003
FUNDS FOR RURAL POVERTY ALLEVIATION PROGRAMME
ALE NARENDRA

Will the Minister of PLANNING be pleased to state:

- (a) whether a committee of the NDC was set up on March 31, 1999 on the criterion for allocation of funds under major Rural Poverty Alleviation Programme;
- (b) if so, the details of its recommendations;
- (c) whether several State Governments have urged a return to 1987-88 (Pre- Lakdawala) methodology so that the State Governments that have several social security schemes for the poor are not penalised; and
- (d) if so, the reaction of the Government thereto?

Answer

MINISTER OF STATE IN THE MINISTRY OF STATISTICS & PROGRAMME IMPLEMENTATION, MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE DEPARTMENTS OF ATOMIC ENERGY AND SPACE (SHRI MOOKHERJEE)

(a): Yes Sir. A committee of the National Development Council (NDC) was set up on 31.03.1999 on the Criterion for Allocation of Funds under Major Rural Poverty Alleviation Programmes.

(b): The recommendation of the NDC Committee is given below:

The NDC Committee discussed various criteria for allocation of funds under major Rural Poverty Alleviation Programmes. There was a consensus and agreement on continuation of the presently used criterion, i.e., 15 per cent adjusted shares as approved by the full Planning Commission under the Chairmanship of Prime Minister. This allocation criterion is based on an adjustment formula to contain the losses under the Expert Group estimates to not more than 15 per cent of their expected entitlement based on the Task Force methodology 1993-94. For States where the loss was less than 15 per cent, the Expert Group estimates were retained. For the remaining States, it was ensured that they would not get less than the lower of the two shares computed on the Task Force estimates for 1993-94 and the Expert Group estimates for 1993-94. However, some States made the observation that some incentive might be provided to the States that had performed well in terms of poverty reduction. It was also noted that there were special needs and pockets of acute distress in some States and these issues also needed to be addressed. The Deputy Chairman, Planning Commission appreciated their concern and agreed that such issues could be considered at the time of the formulation of the Tenth Five Year Plan.

(c) & (d): Since Planning Commission received representations from some States for return to the 1987-88 Task Force (Pre-Lakdawala) methodology, the issue was placed before the National Development Council (NDC) meeting held on 19.02.1999 and consequently the above mentioned NDC committee was set up. The report of the NDC committee was placed before the NDC meeting held on 01.09.2001 wherein the NDC took note of the report.