

**GOVERNMENT OF INDIA  
PLANNING  
LOK SABHA**

UNSTARRED QUESTION NO:3134  
ANSWERED ON:18.08.2004  
WITHDRAWAL OF INCENTIVES  
Prabhu Shri Suresh Prabhakar

**Will the Minister of PLANNING be pleased to state:**

- (a) whether the Government propose to withdraw various incentives provided to backward areas in the country ;
- (b) if so, the details thereof;
- (c) the relative spread of population in various backward areas of the country and the financial and auxiliary incentives provided to these areas;
- (d) the extent to which the backwardness in these areas can be attributed to lack of attention on the part of Central Government ; and
- (e) the response of the Government to this problem?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI M.V. RAJASEKHARAN )

- (a): No, Sir. There is no proposal in the Planning Commission to withdraw incentives to backward areas.
- (b): Does not arise.
- (c): No area has been declared as backward per se. However, for the purpose of certain schemes, various Departments/Ministries use their own criteria for allocation of funds, incentives, etc. Planning Commission has identified backward districts for the limited purpose of the scheme, `Backward Districts Initiative` under the Rashtriya Sam Vikas Yojana. A total of 132 districts are covered under this scheme currently – 100 backward districts and 32 districts affected by Left Wing Extremism. Under this scheme, an amount of Rs. 15 crore is allocated per year to the identified districts for three years i.e. Rs. 45 crore.
- (d) & (e): The planning and development of an area and allocation of funds for the purpose is primarily the responsibility of the State Governments. The Central Government supplements the efforts of the State Governments in this regard through weightage in the formula used for the distribution of Central assistance and through Special Area Programmes. Further, as per the announcement in the Budget Speech 2004-05 of the Finance Minister, a Backward States Grant Fund will become operational from 2005-06 to enable the implementation of social and physical infrastructure programmes in the poorest and most backward districts in the country.