

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1854
ANSWERED ON:17.07.2009
NON-PLAN EXPENDITURE
Singh Shri Jagada Nand

Will the Minister of FINANCE be pleased to state:

- (a) the details of allocation vis-a-vis expenditure incurred under the non-plan head by State Governments during each of the last three years, State-wise;
- (b) whether the expenditure under non-plan is disproportionately high during the last three years;
- (c) if so, the details thereof and the reasons therefor;
- (d) whether there is a proposal to keep both non-plan and plan expenditure into account for removing the present discrimination among the States; and
- (e) if so, the details thereof and action taken or proposed to be taken thereon?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a) to (c): The State wise details of non-plan Budget Estimates during the last three years is annexed. Expenditure figures for the year 2007-08 (Actuals) for all the States, and 2008-09 (Actuals) are not available as yet. The Non-plan expenditure for the year 2006-07 (Actuals) was 71% of the combined Plan and Non-plan expenditure, on account of interest payments, administrative services, pension, miscellaneous general services, repayment of loans etc.

(d) & (e): At present there is no proposal before the Planning Commission to abolish Plan, Non-Plan categorization of expenditure. Issues relating to classification of expenditure into Plan and Non-Plan, and Revenue and Capital have been discussed in Chapter 3 (paragraphs 3.57 to 3.67) Vol.1 of the Eleventh Five Year Plan document. It is stated in this chapter that it would be appropriate to set up a High Level Committee (HLC) to look into the entire gamut of issues arising from the present classification of expenditure and suggest measures for efficient management of public expenditure. Proposal has been initiated to set up an HLC.