

**GOVERNMENT OF INDIA
MINISTRY OF HOME AFFAIRS**

**RAJYA SABHA
UNSTARRED QUESTION NO. 3262**

TO BE ANSWERED ON THE 29TH MARCH, 2023/ CHAITRA 8, 1945 (SAKA)

SPECIAL CATEGORY STATUS TO A.P.

3262 SHRI V. VIJAYASAI REDDY:

Will the Minister of HOME AFFAIRS be pleased to state:

- (a) whether Government announced that henceforth no Special Category Status (SCS) would be given to any States;**
- (b) if so, what is the status of assurance given to the State of Andhra Pradesh (A.P.) for granting Special Category Status; and**
- (c) details of existing North-Eastern and Hilly States who were granted Special Category Status and benefits derived from Special Category Status?**

ANSWER

**MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS
(SHRI NITYANAND RAI)**

(a) & (b): The Fourteenth Finance Commission (FFC) had not made any distinction between General Category States and Special Category States in the horizontal distribution of shareable taxes amongst the States. As per the recommendations of the FFC, the Union Government had decided to increase the share of net shareable taxes to the States from 32% earlier to 42% for the period 2015-20. The same has also been retained by the Fifteenth Finance Commission at 41% (1% adjusted on account of creation of UT of J&K) for the period 2020-21 & 2021-26. The objective has been to

fill the resource gap of each State to the extent possible through tax devolution. Also, Post-Devolution Revenue Deficit Grants have been provided to States where devolution alone could not cover the assessed gap.

The Central Government has agreed to give special assistance to the State of Andhra Pradesh to make up for the additional Central share the State might have received during 2015-16 to 2019-20, if the funding of Centrally Sponsored Schemes would have been shared at the ratio of 90:10 between the Centre and the State. The special assistance is to be provided by way of repayment of loan and interest for the Externally Aided Projects (EAPs) signed and disbursed during 2015-16 to 2019-20 by the State.

(c): For the 8 North Eastern States, Himalayan States of Uttarakhand, Himachal Pradesh and UT of Jammu & Kashmir, as per the recommendations of the Sub-Group of Chief Ministers on the Rationalisation of Centrally Sponsored Schemes, the sharing pattern of funding of Core Schemes under Centrally Sponsored Schemes (CSS) is 90:10 between Centre and State. For the rest of the States, the sharing pattern is 60:40.
