

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF EXPENDITURE**

**LOK SABHA
UNSTARRED QUESTION No. 5067**

TO BE ANSWERED ON MONDAY, April 04, 2022/Chaitra 14, 1944 (Saka),

Special Package for Bihar

5067. DR. ALOK KUMAR SUMAN:

Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that the Government announced a special package of Rs.1.25 lakh crore for development of Bihar in 2015;
- (b) if so, the details thereof and the amount of money allotted and spent;
- (c) whether there is any proposal to grant special assistance to any State including Bihar for development of infrastructure and if so, the details thereof;
- (d) whether the National Multi-dimensional Poverty Index Baseline Report has been released by the NITI Aayog in 2021 in which Bihar has the highest proportion of multi dimensionally poor people of the State's population; and
- (e) if so, the reasons as to why the Fifteenth Finance Commission has reduced the devolution of funds with net shareable taxes to the State of Bihar?

ANSWER

**THE MINISTER OF STATE FOR FINANCE
(SHRI PANKAJ CHAUDHARY)**

(a) and (b): Yes sir, Hon'ble Prime Minister had announced a special package of Rs. 1.25 lakh crore for all round development of the State of Bihar on 18th August, 2015. Prime Minister's Package for Bihar-2015 focuses on sectoral development in the areas namely Roads, Rural Development, Petroleum and Natural Gas, Civil Aviation, Higher Education, Skill Development, Agriculture, Railways, Power, Communication, Tourism and Health. Accordingly, concerned Ministries/Departments have been designated to implement the package as per the sectoral components. Ministry of Finance has released an amount of Rs.11284.0685 crore towards residual liabilities of Special Plan for Bihar (BRGF-State component) now part of PM's Package for Bihar-2015.

(c): The Union Government has launched a Scheme of Special Assistance to States for Capital Expenditure under which 50 years' interest free loan was provided to States. Under the Scheme, an amount of Rs. 843.00 crore in 2020-21 and Rs. 1246.50 crore in 2021-22 was released to the State of Bihar.

(d): The National Multidimensional Poverty Index (MPI) for the States released by NITI Aayog is based on the Global Multidimensional Poverty Index published by the UNDP. In this index, three dimensions - health, education, standard of living have been taken. The main objective of

the MPI is to provide an analytical tool to the States to promote competitive spirit for poverty alleviation. As per the National Multidimensional Poverty Index Baseline Report published by NITI Aayog, the percentage of population who are multi dimensionally poor in Bihar is 51.91%.

(e): In respect of devolution of funds, the 15th Finance Commission had recommended horizontal tax devolution based on principles of need, equity and efficiency. The devolution of taxes and duties to the State of Bihar in 2020-21 was Rs. 59,861.41 crore, which has gone up to Rs. 86,570.97 crore (as on 24.03.2022) in 2021-22.
