

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF EXPENDITURE

**LOKSABHA**  
**UNSTARRED QUESTION No. †2231**

TO BE ANSWERED ON MONDAY, AUGUST 5, 2024/14 SHRAVANA, 1946 (SAKA)

**SPECIAL STATUS TO BIHAR**

†2231.SHRI GIRIDHARI YADAV

Will the Minister of FINANCE be pleased to state:

- (a) whether Bihar is one of the most backward and poor states of the country, if so, the details thereof;
- (b) whether Jharkhand with its mineral wealth was separated from Bihar in 2000 due to which poverty in Bihar has increased further, if so, the details thereof;
- (c) whether Bihar will not be able to achieve parity with developed States without giving special status to Bihar;
- (d) if so, the details thereof along with the time by which the Government proposes to give special status to Bihar; and
- (e) if not, the reasons therefor?

**ANSWER**

THE MINISTER OF STATE FOR FINANCE  
(SHRI PANKAJ CHAUDHARY)

(a) to (e): The Special Category Status for plan assistance was granted in the past by the National Development Council (NDC) to some States that were characterized by a number of features necessitating special consideration. These features included (i) hilly and difficult terrain, (ii) low population density and/or sizeable share of tribal population, (iii) strategic location along borders with neighboring countries, (iv) economic and infrastructural backwardness and (v) non-viable nature of State finances. The decision was taken based on an integrated consideration of all the factors listed above and the peculiar situation of the State.

The 14<sup>th</sup> Finance Commission (14<sup>th</sup> FC) in their report did not make a distinction between special and general category States. Further, the 15<sup>th</sup> Finance Commission (15<sup>th</sup> FC) in their final report for the award period 2021-26 has also not provided recommendations in respect of the Special Category Status to States.

Considering developmental needs of the State of Bihar, Prime Minister's Package for Bihar amounting to Rs. 1,25,003 crore including Roads and Highways, Rural Development, Petroleum and Natural Gas, Civil Aviation, Higher Education, Skill Development, Agriculture, Railways, Power, Telecommunication, Tourism and Health was announced on 18.08.2015. Income tax relief on new capital investment in the form of Additional Investment Allowance and Higher Additional Depreciation in 21 backward districts of the State was also notified as part of the package.

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