

**GOVERNMENT OF INDIA  
MINISTRY OF PLANNING**

**LOK SABHA  
UNSTARRED QUESTION NO. 6143  
TO BE ANSWERED ON 01.04.2026**

**SPECIAL CATEGORY STATUS**

**6143 SHRI GYANESHWAR PATIL:  
SHRI BHUMARE SANDIPANRAO ASARAM:  
DR. SHIVAJI BANDAPPA KALGE:**

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

- (a) whether several demands for granting special category status to States are pending with the Government and if so, the details thereof;**
- (b) whether there is a proposal to grant special category status to Maharashtra and Madhya Pradesh as well;**
- (c) if so, the details thereof along with the time by which the Government is likely to take decision on the same; and**
- (d) the details of the action proposed by the Government in this regard along with the recommendations of NITI Aayog?**

**ANSWER**

**MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF  
STATISTICS AND PROGRAMME IMPLEMENTATION; MINISTER OF  
STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF PLANNING  
AND MINISTER OF STATE IN THE MINISTRY OF CULTURE**

**(RAO INDERJIT SINGH)**

**(a) to (d): Special Category Status for plan assistance was granted in the past by the National Development Council (NDC) to some States characterised 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 neighbouring countries, (iv) economic and infrastructural backwardness and (v) non-viable nature of state finances. The decision was based on an integrated consideration of all the factors listed above and the peculiar situation of the State.**

**2. The 14th Finance Commission, however, did not make any such distinction between General Category and Special Category States (Ref. para 2.29 of the report). Based on the Fourteenth Finance Commission recommendations, the Union Government increased the share of net shareable taxes to the States from 32% earlier to 42% for the period 2015-20. This has provided more untied resources to the States. The Fifteenth and Sixteenth Finance Commission have also retained the same at 41% (1% adjusted on account of the creation of UT of J&K) for the period 2021-26 and 2026-2031 respectively. The objective has been to fill the resource gap of each State to the extent possible through tax devolution. Thus, following the recommendations of the Finance Commissions, the nomenclature of Special Category States ceased to exist. In view of this, at present there is no proposal to grant special category status to any State.**

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