

22/6/22

Economy

Despite equity oriented transfers from the Central Govt, there is a widening inter-state inequalities. Explain (200 words)

Government has been transferring its revenue to ^{all} the state government on an equity basis. There are also some criterias for extra funds transfer from Central Government to state Government.

This can result in widespread inequality in fund transfer.

Some of the criterias for extra funds are:

(i) Central Government's scheme implemented by the States.

(ii) Having more backwardness in their state

(iii) Lack of Hospitals, Schools, Basic institutions

(iv) Extreme affected areas.

(v) ~~Some~~ ^{with Aayos} goals achieving states to incentivise and

top rank states.

(vi) Revenue losing states i.e. loss from GST tax

• Other than this, there are also basic

inequalities in the transfer.

