

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

**UNSTARRED QUESTION NO. 2463**

TO BE ANSWERED ON TUESDAY, 17<sup>th</sup> DECEMBER, 2024

26 AGRAHAYANA, 1946 (SAKA)

**BORROWING LIMIT FOR KERALA**

**2463. DR. JOHN BRITTAS**

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

- (a) the details of net borrowing limit fixed for Kerala for Financial Year 2024-25;
- (b) the apportionment made from the limit fixed towards borrowings by State instrumentalities during the previous years and public account accruals;
- (c) whether Kerala demanded to set off the amounts already repaid against borrowings by the State instrumentalities and another Rs. 6,000 crores contributed by it towards development of National Highways while fixing net borrowing limits;
- (d) the details thereof and the response thereto; and
- (e) whether the demands of States to raise this year's borrowing limits to 3.5 per cent of GSDP without any conditions would be acceded to?

**ANSWER**

MINISTER OF STATE IN THE MINISTRY OF FINANCE

**(SHRI PANKAJ CHAUDHARY)**

- (a) The Net Borrowing Ceilings (NBC) of the State Government of Kerala for the Financial Year (FY) 2024-25 has been fixed at Rs. 37,512 crore.
- (b) The Open Market Borrowings (OMB) Ceiling is calculated based on information provided by State Government and data available in State Finance Accounts published by the Comptroller and Auditor General of India. Details of borrowings by certain State instrumentalities and public accounts liabilities/accruals considered for calculating OMB Ceiling of Kerala for the FY 2022-23 and 2023-24 are as under:

(Rs. in Crore)

| <b>Sl.No.</b> | <b>Heads</b>   | <b>FY 2022-23</b> | <b>FY 2023-24</b> |
|---------------|--|-------------------|-------------------|
| 1             | Off-Budget Borrowing (net of repayment benefits allowed) | 4,936.04          | 2,144.52          |
| 2             | Public Account Liabilities                               | 9,611.20          | 202.12            |

(c) and (d) Yes Sir. Based on the requests received from the State Government of Kerala, the repayment benefits of Rs. 1,772.87 crore and Rs. 2,543.27 crore leading to consequent higher borrowing limit has been allowed to the State while determining the borrowing ceiling for FY 2022-23 and FY 2023-24 respectively. Similar facility is also available for repayments made by other State instrumentalities, if the borrowings made by these instrumentalities are taken into account while determining the borrowing ceiling of the State Government under Article 293(3) of the Constitution of India.

(e) No Sir. The borrowing ceiling of States for FY 2024-25 has been determined based on the recommendations of the 15<sup>th</sup> Finance Commission. However, the State may avail an additional borrowing of upto 0.50 percent of GSDP subject to meeting certain performance criteria in Power Sector.

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