

Government of India
Ministry of Finance
Department of Economic Affairs

RAJYA SABHA
UNSTARRED QUESTION NO. 1841
TUESDAY, AUGUST 4, 2026/SHRAVANA 13, 1948 (SAKA)

FINANCIAL ALLOCATION TO UNION TERRITORY OF J&K

1841. Shri Sajjad Ahmad Kichloo:

Will the Minister of FINANCE be pleased to state:

- (a) whether Jammu and Kashmir receives financial allocations as per UT norms despite having developmental needs of a full State, the resultant fiscal gap estimated for the current financial year; and
- (b) whether enhanced special assistance is being considered, the details thereof?

ANSWER

MINISTER OF STATE FOR FINANCE (SHRI PANKAJ CHAUDHARY)

- (a) Government of Jammu & Kashmir (J&K), being a Union Territory with Legislature, prioritises allocation for its developmental needs as presented in its Annual Financial Statement (AFS), which is approved and passed by the Legislative Assembly of J&K. Government of India, along with providing financial allocations to J&K under various schemes, provides Central Assistance to help meet the gap between receipts and expenditure of J&K. In BE 2026-27, Central Assistance amounting to ₹42,650.27 crore is allocated towards this purpose. Government of J&K has estimated a fiscal gap (deficit) of ₹11,685 crore in BE 2026-27.
- (b) Government of India's assistance to Jammu and Kashmir, as grants through the Demand for Grant "Transfers to Jammu and Kashmir" has increased from ₹30,757 crore in FY 2020-21 to ₹43,290.29 crore as per BE 2026-27.
