

- (a) the guidelines/criteria adopted by the Central Government and State Government for allocation of different funds/grants under various heads;
- (b) the details of funds allocated to State Governments/UTs on the recommendations of twelfth, thirteenth and fourteenth finance commissions head-wise, State/UT-wise;
- (c) whether some State/UTs including Chhattisgarh have requested/proposed to relax the limit of credit taken by State under Fiscal Responsibility and Budget Management (FRBM) Act;
- (d) if so, the details thereof and the action taken thereon; and
- (e) whether the Government is aware of non-release of grant of Rs. 11,366.90 to Tamil Nadu as recommended by 13th Finance Commission despite submission of utilisation certificate for the expenditure incurred, if so, the details thereof and the steps taken in this regard?

ANSWER

MINISTER OF STATE FOR FINANCE

(SHRI ARJUN RAM MEGHWAL)

(a)&(b): Finance Commission makes recommendations for horizontal and vertical distribution of States' Share of Central Taxes & Duties, various grants-in-aid i.e. local bodies grants, disaster relief grants, etc. to be provided to States during its award period. Transfer of central assistance to the State Governments are also done through Centrally Sponsored Schemes (CSS) and Central Sector Schemes (CS), annually determined as per the guidelines of the respective Scheme/ Programme within the availability of Gross Budgetary Support. The Government allocates the funds as per the accepted recommendations of the Finance Commission and provides the same to the States under the currency of the award period of the Commission. The statements indicating State-wise and sector-wise allocations of Non Plan grants-in-aid recommended by the Twelfth Finance Commission, the Thirteenth Finance Commission and the Fourteenth Finance Commission are given at Annexure-I , II and III respectively. These Finance Commissions have not recommended grants-in-aid for Union Territories.

(c)&(d): The States of Goa, Kerala, Punjab and Rajasthan have requested for additional borrowings by relaxing the limit of credit taken by State under Fiscal Responsibility and Budget Management (FRBM) Act in the award period of 14th Finance Commission (FFC). No such request has been received from State Govt. of Chhattisgarh. The Central Government determines and regulates the Annual Net Borrowing

Ceiling for each State within their respective Fiscal Deficit targets as per formula prescribed by the Finance Commissions. As such requests received from States for increase in borrowing limits are considered within the ambit of recommendations of Finance Commissions. The 14th Finance Commission (FFC) has prescribed the Fiscal Roadmap for each State for its award period 2015-20 and anchored Fiscal Deficit target of all States to an annual limit of 3% of GSDP. FFC has also recommended the additional borrowings space of 0.5% over and above the FD/GSDP limit of 3% subject to fulfilment of prescribed fiscal targets, which have been allowed to the eligible States in 2016-17. Besides, the Central Government has approved relaxation of Fiscal Deficit Limit under States' Fiscal Responsibility and Budget Management Acts (FRMBA) for borrowings under Ujwal DISCOM Assurance Yojna (UDAY) during 2015-16 and 2016-17.

(e): The Thirteenth Finance Commission (FC-XIII) had recommended a non-plan grant of Rs.11,366.90 crore to Tamil Nadu for its award period i.e. 2010-11 to 2014-15. Against the total allocation of Rs. 11,366.90 crore, Grants-in aid of Rs. 8613.45 crore was released by Central Government to Tamil Nadu as per recommendations of the FC-XIII. Besides, an amount of Rs. 1504.54 crore was also released to Tamil Nadu for reduction in Infant Mortality Rate (IMR) and incentive for Renewable Energy components as per recommendation of FC-XIII. Thus, a total grant of Rs. 10,117.99 crore was released to Tamil Nadu by the end of FC-XIII award period. Reasons for short releases are non-fulfilment of requirements such as non-receipt of State High Level Committee approved action plans, non-receipt of utilization / completion certificates, and non-payment of interest by the States to Local Bodies at Bank rate for delayed transfer of grants beyond stipulated period. The grants-in-aid released by the Central Government as per recommendation of FC-XIII is based on the utilization certificate furnished and associated conditionalities fulfilled by the state government before the expiry of the FC-XIII award period on 31.03.2015. Since the period of implementation of recommendations of the Thirteenth Finance Commission (FC-XIII) was over on 31st March, 2015, no balance grant, if any, is payable to Tamil Nadu. The requests for release of balance grant of FC-XIII received from time to time from the State Government of Tamil Nadu were processed within the ambit of recommendations of FC-XIII and the State Government was suitably informed.

ANNEXURE REFERRED TO IN REPLY TO PART (b) OF LOK SABHA UNSTARRED QUESTION NO.485 TO BE ANSWERED ON 18th NOVEMBER, 2016

	State	GRANTS-IN-AID RECOMMENDED BY THIRTEENTH FINANCE COMMISSION														
		Post Devolution NPRD (2010-15)	Performance Incentive (2010-13)	Local Body (2010-15)	Disaster Relief (including capacity building) (2010-15)	Elementary Education (2010-15)	Improving Outcomes					Environment related Grants		Maintenance of Roads and Bridges (2011-15)	State Specific (2010-15)	Total Grants-in-aid [sum of col.2 to col.15] (2010-15)
							Improvement in Justice Delivery (2010-15)	Incentive for Issuing UIDs (2010-15)	District Innovation Fund (2010-15)	Improvement of Statistical Systems at State & District Level (2010-15)	Employee and Pension Database (2010-15)	Forests (2010-15)	Water Sector Management (2011-15)			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	
1	Andhra Pradesh	0	0	7195.1	2138.7	942	270.7	126.1	23	23	10	268.6	284	981	1270	13532.3
2	Arunachal Pradesh	2516.2	0	305.7	187.7	24	77.6	2	16	16	5	727.8	8	162	300	4348.2
3	Assam	0	300	1892.8	1336.8	238	121.1	55.8	27	27	5	184.6	88	336	600	5212.1
4	Bihar	0	0	5682.1	1411.2	4018	385	369.2	38	38	10	38.4	304	464	1845	14602.8
5	Chhattisgarh	0	0	2267.2	647.1	857	125.1	91	18	18	10	411.1	88	362	1281	6175.5
6	Goa	0	0	172	17.3	11	15	2	2	2	10	36.9	8	40	200	516.2
7	Gujarat	0	0	3757.6	2110.9	483	299.8	90.7	26	26	10	81.9	236	1261	1300	9682.9
8	Haryana	0	0	1521.3	824.4	229	124.2	32.1	21	21	10	8.8	212	267	1000	4270.8
9	Himachal Pradesh	7888.8	0	641.5	670.3	113	64.8	6.4	12	12	5	100.6	64	436	350	10364.4
10	Jammu & Kashmir	15936.3	0	1122.6	877.6	449	104.5	5.9	22	22	5	133	88	140	1350	20255.9
11	Jharkhand	0	0	2239.8	1100.2	1528	177.5	116.4	24	24	10	151.4	108	334	1425	7238.4
12	Karnataka	0	0	6496.7	687.1	667	269.8	138.9	29	29	10	221	128	1625	1300	11601.4
13	Kerala	0	0	2676.1	563.2	140	140.1	49.6	14	14	10	135.5	176	953	1500	6371.5

14	Madhya Pradesh	0	0	5833.5	1652.7	2216	407.4	249.7	50	50	10	490.3	148	986	1231	13324.5
15	Maharashtra	0	0	8743.6	1859.6	744	542.7	317.4	35	35	10	309.6	368	2103	1235	16302.8
16	Manipur	6056.6	0	315.9	40.9	15	11.6	4	9	9	5	150.3	8	100	301	7026.3
17	Meghalaya	2810.9	0	432.4	77.9	52	4.2	4.5	7	7	5	168.1	4	101	250	3923.9
18	Mizoram	3991.4	0	310.7	47.5	5	13	1.2	8	8	5	171.2	4	89	250	4904
19	Nagaland	8146.1	0	415.7	29.7	7	6.2	4	11	11	5	138.6	8	159	250	9191.3
20	Orissa	0	0	3270.9	1647.8	1016	193.6	178.5	30	30	10	331	184	1022	1745	9658.8
21	Punjab	0	0	1753.8	948.8	224	120.8	21.6	20	20	10	9.2	320	612	1480	5540.3
22	Rajasthan	0	0	5163.8	2519.3	1766	268.5	134.9	33	33	10	88.3	224	1509	1200	12949.8
23	Sikkim	0	200	187.2	118.1	5	21.8	1.1	4	4	5	40.6	4	68	400	1058.8
24	Tamil Nadu	0	0	5455.9	1241.4	700	252.4	145.6	31	31	10	142.5	192	1865	1300	11366.9
25	Tripura	4453.3	0	369.8	101	23	24	6.4	4	4	5	95.5	8	122	500	5716.1
26	Uttar Pradesh	0	0	12740.5	1622.1	5040	645.8	590	70	70	10	80.5	1364	2831	1679	26742.9
27	Uttarakhand	0	1000	781.3	605.1	197	102.2	36	13	13	5	205.4	76	329	700	4063
28	West Bengal	0	0	5773.1	1288.3	2359	210.9	208.4	19	19	10	79	296	673	1703	12638.7
	Total	51800	1500	87519	26373	24068	5000	2989	616	616	225	5000	5000	19930	27945	258581

The Total Grants-in-aid figure in column 16 does not include a) GST Compensation grants (Rs. 50,000 crores), b) Grants for reduction in IMR (Rs. 5000 crores) and c) Renewable energy grant (Rs. 5000 crores) as these are based on future performance and hence their state-wise allocation is not possible at this stage. Adding these forward looking grants to the total grants figure in column 16, the Total Grants-in-aid figure works out to Rs. 318581 crores.

