

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

LOK SABHA

UNSTARRED QUESTION NO. 1820

TO BE ANSWERED ON MONDAY, 02nd March, 2020/12 Phalguna, 1941 (SAKA)

Loans covered under FRBM Act

1820. SHRI BANDI SANJAY KUMAR:

SHRI KOMATI REDDY VENKAT REDDY:

Will the Minister of FINANCE be pleased to state:

- a) whether the Union Government is aware of loans taken by the State Governments from Central Government Corporations like PFC, HUDCO etc.;
- b) if so, the details thereof, State-wise;
- c) whether these loans come under the Fiscal Responsibility and Budget Management (FRBM) Act and if so, the details thereof, State-wise;
- d) whether any State Government has crossed the borrowing limit under the FRBM Act with these loans and if so, the details thereof, State-wise; and
- e) whether any action has been taken on such States which have crossed the FRBM limit and if so, the details thereof and if not, the reasons therefor?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI ANURAG SINGH THAKUR)

(a) to (c) Government of India issues borrowing permission to States under Article 293 (3) of Constitution of India, which inter alia includes Negotiated Loans from financial institutions like NABARD, PFC, HUDCO etc. These loans are within the ceiling prescribed under respective State FRBM Act. State-wise details of outstanding loans of the State Governments from banks and financial institutions including NABARD, PFC, HUDCO etc. are at [Annex](#).

(d) & (e) Net Borrowing Ceiling (NBC) of the States is fixed anchoring the Fiscal Deficit target of 3 percent of projected GSDP based on the calculation prescribed under the recommendations of Fourteenth Finance Commission (FFC) and borrowing permission is issued on the basis of budgetary estimates submitted by the States. Any over/ under borrowing by States is adjusted in the year in which actual figures are available. None of the States reported exceeding borrowing limit allowed by the Central Government.

Annex to reply to part (a) to (c) of Lok Sabha Unstarred question no. 1820 for 02.03.2020

State-wise details of outstanding loans of the State Governments from banks and financial institutions including NABARD, PFC, HUDCO etc.

(Rs. In crore)

S. no.	States	2017-18 (FA)	2018-19 (RE)	2019-20 (BE)
1	Andhra Pradesh	4615.10	5262.40	5117.00
2	Arunachal Pradesh	559.70	338.40	40.20
3	Assam	2164.20	3468.70	4309.70
4	Bihar	6827.20	7919.10	9422.30
5	Chhattisgarh	3889.20	4566.80	5116.10
6	Goa	688.10	659.00	730.30
7	Gujarat	11837.20	14690.60	17075.40
8	Haryana	3492.70	3583.30	4670.90
9	Himachal Pradesh	2491.60	2626.30	2840.60
10	J & K	3725.60	3601.20	3522.50
11	Jharkhand	6070.40	7416.40	9458.40
12	Karnataka	4289.10	4760.30	4941.90
13	Kerala	5208.10	5093.20	5006.90
14	Madhya Pradesh	9569.30	12284.00	15061.60
15	Maharashtra	8173.50	12242.80	18721.90
16	Manipur	326.30	446.80	476.50
17	Meghalaya	375.10	517.80	711.40
18	Mizoram	502.60	564.80	655.60
19	Nagaland	658.00	594.00	519.50
20	Odisha	11031.30	14526.40	17612.00
21	Punjab	31422.90	30269.60	29310.90
22	Rajasthan	9413.00	10551.90	11243.60
23	Sikkim	308.00	302.70	293.70
24	Tamil Nadu	9498.90	10502.70	11220.90
25	Telangana	4154.20	4025.60	3468.90
26	Tripura	951.80	920.50	984.40
27	Uttar Pradesh	58817.30	62294.30	63452.40
28	Uttarakhand	3784.90	3980.20	4075.50
29	West Bengal	7031.90	7679.40	8171.30
	Total	211877.20	235689.20	258232.30

Source: Reserve Bank of India report titled "State finances: A study of budgets of 2019-20"