

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF EXPENDITURE
LOK SABHA

UNSTARRED QUESTION NO. 3384

TO BE ANSWERED ON MONDAY, 16th DECEMBER, 2024
25 AGRAHAYANA, 1946 (SAKA)

DEBT BURDEN ON STATE GOVERNMENTS

3384. SHRI DINESH CHANDRA YADAV

Will the Minister of Finance be pleased to state:

- (a) the debt on various State Governments across the country, State-wise;
- (b) whether the debt burden of most of the State Governments has reached around 32 per cent of their GDP and the interest to be paid against the debt would cost 13-15 per cent to the States;
- (c) whether the Government is taking any steps to make the States self-reliant; and
- (d) if so, the details thereof?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI PANKAJ CHAUDHARY)

(a) and (b) As per the Reserve Bank of India's report titled 'State Finances: A Study of Budgets of 2023-24', the details of Total Outstanding Liabilities and Debt to GSDP ratio (as at end March- 2024, Budget Estimates (BE)) of States is attached at Annexure-I. As per the data available in the Report, the ratio of interest payment to total outstanding liabilities of State Governments for the year 2023-24 (BE) ranges from 4.21 percent to 7.01 percent.

(c) and (d) The Union Government provides funds to States under the heads viz. Tax Devolution, Finance Commission Transfers including Revenue Deficit Grants, Scheme for Special Assistance to States for Capital Expenditure/Investment. Details of the fund transfer under these heads by the Union Government to the State Governments are given in Annexure-II.

Annexure-I

Statement Showing State-wise data on Total Outstanding Liabilities and Debt to GSDP Ratio (As at end March-2024, BE)

Sl.	State	Total Outstanding Liabilities	Debt to GSDP Ratio
		(In Rs. Crore)	(In Percentage)
1	Andhra Pradesh	4,85,491	33.5
2	Arunachal Pradesh	21,654	50.4
3	Assam	1,50,900	26.6
4	Bihar	3,19,618	37.0
5	Chhattisgarh	1,22,164	24.0
6	Goa	34,758	38.3
7	Gujarat	4,67,464	18.2
8	Haryana	3,36,253	29.9
9	Himachal Pradesh	94,992	44.2
10	Jharkhand	1,31,456	30.1
11	Karnataka	5,97,618	22.7
12	Kerala	4,29,271	36.9
13	Madhya Pradesh	4,18,056	28.7
14	Maharashtra	7,22,887	18.6
15	Manipur	19,246	39.5
16	Meghalaya	20,030	42.1
17	Mizoram	14,039	36.2
18	Nagaland	18,166	44.3
19	Odisha	1,20,987	13.9
20	Punjab	3,51,130	47.6
21	Rajasthan	5,62,495	35.7
22	Sikkim	15,530	31.0
23	Tamil Nadu	8,34,544	31.0
24	Telangana	3,89,673	27.8
25	Tripura	26,506	32.0
26	Uttar Pradesh	7,69,245	28.6
27	Uttarakhand	89,466	26.9
28	West Bengal	6,58,426	38.3

Source: State Finances: A Study of Budgets of 2023-24, Reserve Bank of India

Annexure-II

Scheme-wise details of funds released by the Union Government to the State Governments.

(Rs. in crore)

Heads	2021-22	2022-23	2023-24	2024-25 (As on 10.12.2024)
Tax Devolution	8,82,903.79	9,48,405.82	11,29,493.71	9,01,149.51
Finance Commission Transfers	2,14,777.05	1,74,284.53	1,49,391.05	71,612.08
Scheme for Special Assistance to States for Capital Expenditure /Investment	14,185.78	81,195.35	1,09,554.30	63,699.61