

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

**LOK SABHA**  
**UNSTARRED QUESTION NO. 3700**  
**TO BE ANSWERED ON MONDAY, 24<sup>th</sup> March, 2025**  
**03 CHAITRA, 1947 (SAKA)**

**DEBT AND LIABILITIES OF STATES**

3700. **SHRI MANISH TEWARI :**

Will the Minister of FINANCE be pleased to state:

- (a) the quantum of debt and other liabilities of various States in the country along with the total combined debt and liabilities of all the States as of March 31, 2025;
- (b) the total debt and outstanding liabilities of the Government as of March 31, 2025;
- (c) the details of the five States in the country which have the highest and the lowest debt-to GSDP ratio, respectively;
- (d) the manner in which the combined debt-to-GDP ratio of all States compares to that of the Government during the last five years; and
- (e) whether the Government has conducted any assessment of the impact of off-budget borrowings and contingent liabilities on State finances, if so, the details thereof and if not, the reasons therefor?

**ANSWER**

MINISTER OF STATE IN THE MINISTRY OF FINANCE  
**(SHRI PANKAJ CHAUDHARY)**

(a) to (d) The quantum of debt and other liabilities of various States as on March 31, 2025 will be known only after the end of the Financial Year (FY) 2024-25. However, as per the information published by the Reserve Bank of India (RBI) in “State Finances: A Study of Budgets”, the estimated debt & other liabilities of various States and State wise debt to Gross

State Domestic Product (GSDP) ratio in descending order as on March 31, 2025 are given in **Annexure**.

As per the information provided by RBI, the estimated combined liabilities of the Central & State Governments as on March 31, 2025 is Rs. 2,67,35,462 Crore. The trend of debt to Gross Domestic Product (GDP) ratio of the Central Government and debt to GSDP ratio of all States & Union Territories (UTs) with Legislature is given in Table below:

(in percent)

<b>Year</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24 (Revised Estimates)</b>
States and UTs	26.6	31.0	29.1	28.2	28.5
Central Government	52.3	61.4	58.8	57.9	58.1

(e) All States have enacted their Fiscal Responsibility and Budget Management (FRBM) Act. Compliance to the State FRBM Act is monitored by the respective State Legislatures. Department of Expenditure, Ministry of Finance follows uniform yardstick for the fiscal deficit of States while exercising the powers to approve borrowings by States under Article 293 (3) of the Constitution of India. The normal Net Borrowing Ceiling (NBC) of each State is fixed by the Union Government in the beginning of each financial year, accordingly. Adjustments for the over-borrowing by States during previous years, if any, are made in the borrowing limits of subsequent years.

Instances of off-budget borrowings by certain State Public Sector companies, Special Purpose vehicles (SPVs) and other equivalent instruments, where principal and/or interest are to be serviced out of the State Budgets, had come to the notice of the Ministry of Finance. Considering the effect of bypassing the NBC of the States by such borrowings, it was decided and communicated to the States in March 2022 that borrowings by State Public Sector companies/corporations, Special purpose vehicles (SPVs) and other equivalent instruments, where principal and/or interest are to be serviced out of the State Budgets and/or by assignment of taxes/cess or any other State's revenue, shall be considered as Borrowings made by the State itself for the purpose of issuing the consent under Article 293(3) of the Constitution of India.

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**Annexure referred to for the answer of part (a) to (d) of Lok Sabha Unstarred question  
no. 3700 for 24.03.2025**

Estimated outstanding liabilities of all States and Debt to GSDP ratio of all States as on  
March 31, 2025 in descending order

<b>Sl. No.</b>	<b>States</b>	<b>Estimated outstanding Liabilities (Rs. in crore)</b>	<b>Debt-to GSDP ratio (in percent)</b>
1	Arunachal Pradesh	25,464	57.0
2	Punjab	3,78,453	46.6
3	Himachal Pradesh	1,02,594	45.2
4	Nagaland	20,197	40.0
5	Meghalaya	23,145	39.0
6	West Bengal	7,14,196	38.0
7	Bihar	3,61,522	37.3
8	Kerala	4,71,091	36.8
9	Manipur	19,917	36.7
10	Rajasthan	6,37,035	35.8
11	Sikkim	19,038	35.0
12	Andhra Pradesh	5,62,557	34.7
13	Uttar Pradesh	8,57,844	31.8
14	Madhya Pradesh	4,80,976	31.6
15	Mizoram	14,201	31.6
16	Haryana	3,69,242	30.4
17	Tamil Nadu	9,55,691	30.3
18	Goa	35,724	30.2
19	Chhattisgarh	1,63,266	29.1
20	Tripura	26,607	27.9
21	Assam	1,77,983	27.5
22	Jharkhand	1,34,867	26.6
23	Karnataka	7,25,456	26.5
24	Telangana	4,42,298	26.2
25	Uttarakhand	95,408	24.2
26	Maharashtra	8,12,068	19.0
27	Gujarat	4,94,436	17.9
28	Odisha	1,54,960	16.3