

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

**LOK SABHA**

**UNSTARRED QUESTION NO. 1566**

**TO BE ANSWERED ON MONDAY, 09<sup>th</sup> February, 2026**

**20 MAGHA, 1947 (SAKA)**

**FINANCIAL ASSISTANCE TO MIZORAM**

1566. **SHRI RICHARD VANLALHMANGAIHA :**

Will the Minister of FINANCE be pleased to state:

- (a) whether the Union Government has assessed the current financial condition of the State of Mizoram, particularly in view of its geographical constraints, limited revenue base and increasing developmental expenditure;
- (b) if so, the details thereof;
- (c) whether the Union Government proposes to provide any additional financial assistance, special grants or relaxation in fiscal norms to the State of Mizoram; and
- (d) if so, the details thereof along with the time-frame for its implementation?

**ANSWER**

MINISTER OF STATE IN THE MINISTRY OF FINANCE

**(SHRI PANKAJ CHAUDHARY)**

(a) & (b) Assessment of financial condition of States including own revenue, expenditure requirement and financial needs is done by the Finance Commission every five years. The Commission also recommends the quantum of devolution of central taxes & duties and grants to be made to States and the inter-se share of States in the devolution. Based on the recommendations of the Finance Commission, the Union Government has increased the tax devolution to States from 32% in the 13<sup>th</sup> Finance Commission period to 42% in the 14<sup>th</sup> Finance Commission period. The 15<sup>th</sup> Finance Commission also maintained same level of

devolution after adjusting 1% for Jammu and Kashmir. Further, some States including Mizoram were also provided Revenue Deficit Grant to bridge the gap between State's expenditure and revenue.

(c) & (d) All States including Mizoram have enacted their Fiscal Responsibility and Budget Management (FRBM) Act which makes the State Government responsible to ensure prudence in fiscal management and fiscal stability by progressive elimination of revenue deficit, reduction in fiscal deficit, prudent debt management consistent with fiscal sustainability and greater transparency in fiscal operations of the government. Compliance to the State FRBM Act is monitored by the respective State Legislatures. Department of Expenditure, Ministry of Finance, usually considers the fiscal limits as per the accepted recommendations of the Finance Commission while exercising powers to approve borrowings by States under Article 293(3) of the Constitution of India.

Besides the Finance Commission recommended grants & grants under the Centrally Sponsored Schemes, the Union Government is also providing funds to States under the Schemes for Special Assistance to States for Capital Expenditure/Investment (SASCI). An amount of Rs. 3,243.35 crore has been released to Mizoram under SASCI from 2020-21 to 2025-26 till 29.01.2026. Moreover, Additional Central Assistance (ACA) for Externally Aided Projects (EAPs) is provided to Mizoram as 90% grant and only 10% as loan.

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