

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF EXPENDITURE
PLAN FINANCE-I DIVISION

**LOK SABHA
UNSTARRED QUESTION NO. 2109**

TO BE ANSWERED ON FRIDAY THE 11th DECEMBER 2015/20 AGRAHAYANA, 1937 (SAKA)

RAISING OF DEBTS BY THE STATE

2109. SHRI DUSHYANT SINGH:

Will the Minister of FINANCE be pleased to state:

- a) the Gross State Domestic Product (GSDP) of all the States/UTs at both market price and factor cost;
- b) the details of the present policy governing the raising of debts by the States;
- c) whether the Government is intending to allow 3% of borrowing on the GSDP at market price in place of GSDP which is at factor cost;
- d) if so, the details thereof and if not, the reasons therefor; and
- e) whether the Government is presently allowing or going to allow the States to raise additional borrowing, if so, the details thereof and if not, the reasons therefor?

ANSWER

MINISTER OF STATE IN MINISTRY OF FINANCE
(SHRI JAYANT SINHA)

(a): The details of Gross State Domestic Product (GSDP) estimates of all the States/UTs at factor cost with base year 2004-05, at current prices (as on 31.07.2015) are at Annex. The estimates of GSDP at market price are not being compiled by States/UTs on regular basis.

(b) to (d): The annual Net Borrowing Ceiling (NBC) is being fixed by the Central Government based on a road map for achieving fiscal deficit targets as laid down by successive Finance Commissions.

(ii) As recommended by Fourteenth Finance Commission (FFC), the NBC for all the States for 2015-16 have been fixed by adopting annual average growth rate of GSDP in the years 2013-14 (*t-2*), 2012-13 (*t-3*) and 2011-12 (*t-4*) as per State estimate of GSDP (at current price) published by CSO and applying the same on the base GSDP of year 2013-14 (*t-2*) to determine the projected GSDP of years 2014-15 (*t-1*) and 2015-16 (*t*). The base

Fiscal deficit target of 3% have been applied on State specific GSDP estimated for year 2015-16 (t) to arrive at Net Borrowing Ceilings of each State. The estimates of GSDP at market price are not published by the CSO.

(iii) The NBC covers all sources of borrowings, including Open Market Borrowings, Negotiated Loans from financial institutions, National Small Saving Fund loans, Central Government loans including EAPs, other liabilities arising out of public account transfers under small savings, Provident funds, Reserve Funds, Deposits, etc., as reflected in statement 6 of the State's Finance Accounts.

(e): The Central Government has approved Ujwal DISCOM Assurance Yojana (UDAY) a scheme for the Financial Turnaround of Power Distributions Companies (DISCOMs) with an objective to improve the operational and financial efficiency of the State DISCOMs. Under the Scheme, States shall take over 75% of DISCOM debt as on 30.09.2015 over two years – 50% of DISCOM debt shall be taken over in 2015-16 and 25% in 2016-17 by issuing Non-SLR Bonds. The debt so taken over by the States under the scheme shall not be counted against the Fiscal Deficit limit of respective State in the financial years 2015-16 and 2016-17. The States are therefore allowed to raise additional borrowings under UDAY Scheme during 2015-16 and 2016-17.

Annex referred to in reply to part (a) of Lok Sabha Unstarred Question
No. 2109 for answer on 11.12.2015

Rs. in Crore

S. No.	State\UT	2012-13	2013-14
(1)	(2)	(3)	(4)
1	Andhra Pradesh	410068	464184
2	Arunachal Pradesh	11836	13545
3	Assam	138401	159460
4	Bihar	293616	343663
5	Chhattisgarh	165641	185682
6	Goa	42407	48897
7	Gujarat	658540	765638
8	Haryana	341351	388917
9	Himachal Pradesh	73710	82585
10	Jammu & Kashmir	76916	87570
11	Jharkhand	151655	172773
12	Karnataka	522673	614607
13	Kerala	347841	396282
14	Madhya Pradesh	361270	434730
15	Maharashtra	1322222	1510132
16	Manipur	12697	14324
17	Meghalaya	19009	21922
18	Mizoram	8363	10297
19	Nagaland	15676	17749
20	Odisha	251220	272980
21	Punjab	285119	317556
22	Rajasthan	470178	517615
23	Sikkim	10473	12377
24	Tamil Nadu	744859	854238
25	Telangana	347082	391751
26	Tripura	22697	26810
27	Uttar Pradesh	780399	862746
28	Uttarakhand	108250	122897
29	West Bengal	603311	706561
30	Andaman & Nicobar Islands	5633	6150
31	Chandigarh	25046	29076
32	Delhi	334915	391125
33	Puducherry	16795	21077

Note: The UTs namely, Dadra & Nagar Haveli, Daman & Diu and Lakshadweep do not prepare the estimates of GSDP.