

MINISTRY OF FINANCE**DEMAND NO. 40****Transfers to States***(In ₹ crores)*

| | Actual 2016-2017 | | | Budget 2017-2018 | | | Revised 2017-2018 | | | Budget 2018-2019 | | |
|--|------------------|-----------------|------------------|------------------|-----------------|------------------|-------------------|----------------|------------------|------------------|----------------|------------------|
| | Revenue | Capital | Total | Revenue | Capital | Total | Revenue | Capital | Total | Revenue | Capital | Total |
| Gross | 127839.67 | 17763.59 | 145603.26 | 138601.38 | 18600.00 | 157201.38 | 122817.18 | 17600.00 | 140417.18 | 141873.50 | 20100.00 | 161973.50 |
| Recoveries | -6450.00 | ... | -6450.00 | -10000.00 | ... | -10000.00 | -3660.00 | ... | -3660.00 | -2500.00 | ... | -2500.00 |
| Receipts | -6450.00 | ... | -6450.00 | -10000.00 | -100.00 | -10100.00 | -3660.00 | -12832.00 | -16492.00 | -2500.00 | -14116.00 | -16616.00 |
| Net | 114939.67 | 17763.59 | 132703.26 | 118601.38 | 18500.00 | 137101.38 | 115497.18 | 4768.00 | 120265.18 | 136873.50 | 5984.00 | 142857.50 |
| A. The Budget allocations, net of recoveries and receipts, are given below: | | | | | | | | | | | | |
| TRANSFERS TO STATES/UTs | | | | | | | | | | | | |
| Finance Commission Grants | | | | | | | | | | | | |
| Grants under proviso to Article 275(1) of the Constitution | | | | | | | | | | | | |
| 1. Post Devolution Revenue Deficit Grants | 41307.00 | ... | 41307.00 | 35820.00 | ... | 35820.00 | 35819.00 | ... | 35819.00 | 34582.00 | ... | 34582.00 |
| 2. Grants-in-Aid for State Disaster Response Fund | 8374.95 | ... | 8374.95 | 10993.00 | ... | 10993.00 | 9382.80 | ... | 9382.80 | 9852.13 | ... | 9852.13 |
| 3. Grants for Local Bodies | | | | | | | | | | | | |
| 3.01 Rural Bodies | 31370.52 | ... | 31370.52 | 39040.96 | ... | 39040.96 | 39040.96 | ... | 39040.96 | 19870.19 | ... | 19870.19 |
| 3.02 Urban Bodies | 14497.83 | ... | 14497.83 | 17247.42 | ... | 17247.42 | 17247.42 | ... | 17247.42 | 45069.18 | ... | 45069.18 |
| Total- Grants for Local Bodies | 45868.35 | ... | 45868.35 | 56288.38 | ... | 56288.38 | 56288.38 | ... | 56288.38 | 64939.37 | ... | 64939.37 |
| Total-Grants under proviso to Article 275(1) of the Constitution | 95550.30 | ... | 95550.30 | 103101.38 | ... | 103101.38 | 101490.18 | ... | 101490.18 | 109373.50 | ... | 109373.50 |
| Total-Finance Commission Grants | 95550.30 | ... | 95550.30 | 103101.38 | ... | 103101.38 | 101490.18 | ... | 101490.18 | 109373.50 | ... | 109373.50 |
| Other Grants/Loans/Transfers | | | | | | | | | | | | |
| 4. Special Assistance | 10899.61 | ... | 10899.61 | 11000.00 | ... | 11000.00 | 7000.00 | ... | 7000.00 | 15000.00 | ... | 15000.00 |
| 5. Grants to Areas not covered by Part IX and IXA of the Constitution | ... | ... | ... | ... | ... | ... | 500.00 | ... | 500.00 | 500.00 | ... | 500.00 |
| 6. Grants to Autonomous Councils, areas covered under the Sixth Schedule of the Constitution | ... | ... | ... | 500.00 | ... | 500.00 | ... | ... | ... | ... | ... | ... |
| 7. Additional Central Assistance for Externally Aided Projects (Grants) | 3498.47 | ... | 3498.47 | 4000.00 | ... | 4000.00 | 3000.00 | ... | 3000.00 | 4500.00 | ... | 4500.00 |
| 8. Additional Central Assistance for Externally Aided Projects (Block Loans) | ... | 17763.59 | 17763.59 | ... | 18500.00 | 18500.00 | ... | 17500.00 | 17500.00 | ... | 20000.00 | 20000.00 |
| | ... | ... | ... | ... | ... | ... | ... | -12732.00 | -12732.00 | ... | -14016.00 | -14016.00 |
| Net | ... | 17763.59 | 17763.59 | ... | 18500.00 | 18500.00 | ... | 4768.00 | 4768.00 | ... | 5984.00 | 5984.00 |
| 9. Transfer to National Disaster Response Fund | | | | | | | | | | | | |
| 9.01 Transfer to National Disaster Response Fund (NDRF) | 6450.00 | ... | 6450.00 | 10000.00 | ... | 10000.00 | 3660.00 | ... | 3660.00 | 2500.00 | ... | 2500.00 |

(In ₹ crores)

| | Actual 2016-2017 | | | Budget 2017-2018 | | | Revised 2017-2018 | | | Budget 2018-2019 | | |
|---|------------------|-----------------|------------------|------------------|-----------------|------------------|-------------------|----------------|------------------|------------------|----------------|------------------|
| | Revenue | Capital | Total | Revenue | Capital | Total | Revenue | Capital | Total | Revenue | Capital | Total |
| 9.02 Less National Calamity Contingent Duty (Customs) | -23.80 | ... | -23.80 | -2500.00 | ... | -2500.00 | -660.00 | ... | -660.00 | -750.00 | ... | -750.00 |
| 9.03 Less National Calamity Contingent Duty (Union Excise) | -6426.20 | ... | -6426.20 | -7500.00 | ... | -7500.00 | -3000.00 | ... | -3000.00 | -1750.00 | ... | -1750.00 |
| <i>Net</i> | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| 10. Assistance to States from National Disaster Response Fund (NDRF) | | | | | | | | | | | | |
| 10.01 Assistance to States from National Disaster Response Fund (NDRF) | 11441.29 | ... | 11441.29 | 10000.00 | ... | 10000.00 | 7167.00 | ... | 7167.00 | 10000.00 | ... | 10000.00 |
| 10.02 Less Amount met from transfer from NDRF | -6450.00 | ... | -6450.00 | -10000.00 | ... | -10000.00 | -3660.00 | ... | -3660.00 | -2500.00 | ... | -2500.00 |
| <i>Net</i> | 4991.29 | ... | 4991.29 | ... | ... | ... | 3507.00 | ... | 3507.00 | 7500.00 | ... | 7500.00 |
| 11. Ways and Means Advances | | | | | | | | | | | | |
| | ... | ... | ... | ... | 100.00 | 100.00 | ... | 100.00 | 100.00 | ... | 100.00 | 100.00 |
| <i>Net</i> | ... | ... | ... | ... | -100.00 | -100.00 | ... | -100.00 | -100.00 | ... | -100.00 | -100.00 |
| <i>Net</i> | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Total-Other Grants/Loans/Transfers | 19389.37 | 17763.59 | 37152.96 | 15500.00 | 18500.00 | 34000.00 | 14007.00 | 4768.00 | 18775.00 | 27500.00 | 5984.00 | 33484.00 |
| Grand Total | 114939.67 | 17763.59 | 132703.26 | 118601.38 | 18500.00 | 137101.38 | 115497.18 | 4768.00 | 120265.18 | 136873.50 | 5984.00 | 142857.50 |
| B. Developmental Heads | | | | | | | | | | | | |
| Social Services | | | | | | | | | | | | |
| 1. Relief on account of Natural Calamities | 4991.29 | ... | 4991.29 | ... | ... | ... | 3507.00 | ... | 3507.00 | 7500.00 | ... | 7500.00 |
| Total-Social Services | 4991.29 | ... | 4991.29 | ... | ... | ... | 3507.00 | ... | 3507.00 | 7500.00 | ... | 7500.00 |
| Others | | | | | | | | | | | | |
| 2. Grants-in-aid to State Governments | 109948.38 | ... | 109948.38 | 118601.38 | ... | 118601.38 | 111990.18 | ... | 111990.18 | 129373.50 | ... | 129373.50 |
| 3. Loans and Advances to State Governments | ... | 17763.59 | 17763.59 | ... | 18500.00 | 18500.00 | ... | 4768.00 | 4768.00 | ... | 5984.00 | 5984.00 |
| Total-Others | 109948.38 | 17763.59 | 127711.97 | 118601.38 | 18500.00 | 137101.38 | 111990.18 | 4768.00 | 116758.18 | 129373.50 | 5984.00 | 135357.50 |
| Grand Total | 114939.67 | 17763.59 | 132703.26 | 118601.38 | 18500.00 | 137101.38 | 115497.18 | 4768.00 | 120265.18 | 136873.50 | 5984.00 | 142857.50 |

1. **Post Devolution Revenue Deficit Grants:** FFC has laid down the share of each State in central taxes and projected the share of each State based on the estimated tax revenue of the Union Government. Based on the estimated pre-devolution revenue deficit and share of each State in central taxes, FFC projected the post-devolution revenue deficit for 11 States and recommended Grants for revenue deficit to those 11 States for its award period 2015-20.

2. **Grants-in-Aid for State Disaster Response Fund:** Fourteenth Finance Commission (FFC) has recommended grants for augmentation of corpus of State Disaster Response Fund (SDRF) for all States for award period 2015-20. The first charge of relief expenditure is on the SDRF. SDRF is the primary fund available with States for financing of disaster relief and response.

3. **Grants for Local Bodies:** FFC has recommended basic and performance grants for local bodies (Rural and Urban) for its award period 2015-20.

4. **Special Assistance:** This provision has been earmarked for (a) Spill over committed liabilities for which budget provision is not made after the implementation of Fourteenth Finance Commission recommendations (b) and other need-based assistance to the States.

5. **Grants to Areas not covered by Part IX and IXA of the Constitution:** This provision has been earmarked for financial assistance to areas excluded by FFC and where Part IX and IXA of the Constitution do not apply.

6. **Grants to Autonomous Councils, areas covered under the Sixth Schedule of the Constitution:** This will be the support to areas excluded by FFC and where part IX and part IXA of the Constitution do not apply.

7. **Additional Central Assistance for Externally Aided Projects (Grants):** ACA for EAPs is routed through this Demand. From April, 2005, a new system of back-to-back (B2B) transfer of

external assistance was introduced on the recommendation of the Twelfth Finance Commission, under which the external assistance is passed on to the states, other than NE and Himalayan States, on the same terms and conditions on which these are received by the Central Government from donor agencies. Provision of funds for the grant component for EAPs to states has been made under the Revenue Section.

8. **Additional Central Assistance for Externally Aided Projects (Block Loans):** Provision of funds for the Loan component for Externally Aided projects to States has been made under the Capital Section. The recovery of its loan component is made under Major Head 6002.

9.01. **Transfer to NDRF:** The expenditure on relief as a result of natural calamities under NDRF.

10.01. **Assistance to States from National Disaster Response Fund (NDRF):** Under NDRF, assistance for immediate relief in the wake of severe natural calamities is provided to States to supplement the funds from the State Disaster Response Fund (SDRF). Assistance from NDRF is provided as immediate support to States in times of rare severity and natural calamities.

11. **Ways and Means Advances:** This is a provision for temporary advance to facilitate the State Governments to tide over short term liquidity mismatches.