

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

	Actual 2017-2018			Budget 2018-2019			Revised 2018-2019			Budget 2019-2020		
	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total
Gross	111077.10	17499.95	128577.05	141873.50	20100.00	161973.50	135943.78	23900.84	159844.62	164382.22	19823.28	184205.50
Recoveries	-3660.00	...	-3660.00	-2500.00	...	-2500.00	-2315.00	...	-2315.00	-2480.00	...	-2480.00
Receipts	-3515.12	-13900.73	-17415.85	-2500.00	-14116.00	-16616.00	-2315.00	-13862.12	-16177.12	-2480.00	-12362.05	-14842.05
Net	103901.98	3599.22	107501.20	136873.50	5984.00	142857.50	131313.78	10038.72	141352.50	159422.22	7461.23	166883.45
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	35819.00	...	35819.00	34582.00	...	34582.00	34582.00	...	34582.00	34206.00	...	34206.00
2. Grants-in-Aid for State Disaster Response Fund	9382.80	...	9382.80	9852.13	...	9852.13	9852.13	...	9852.13	10343.85	...	10343.85
3. Grants for Local Bodies												
3.01 Rural Bodies	34448.30	...	34448.30	45069.18	...	45069.18	42815.18	...	42815.18	60687.08	...	60687.08
3.02 Urban Bodies	12594.37	...	12594.37	19870.19	...	19870.19	18879.47	...	18879.47	26665.29	...	26665.29
Total- Grants for Local Bodies	47042.67	...	47042.67	64939.37	...	64939.37	61694.65	...	61694.65	87352.37	...	87352.37
Total-Grants under proviso to Article 275(1) of the Constitution	92244.47	...	92244.47	109373.50	...	109373.50	106128.78	...	106128.78	131902.22	...	131902.22
Total-Finance Commission Grants	92244.47	...	92244.47	109373.50	...	109373.50	106128.78	...	106128.78	131902.22	...	131902.22
Other Grants/Loans/Transfers												
4. Special Assistance	6950.50	...	6950.50	15000.00	...	15000.00	13500.00	...	13500.00	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	500.00	...	500.00	500.00	...	500.00
6. Additional Central Assistance for Externally Aided Projects (Grants)	2999.60	...	2999.60	4500.00	...	4500.00	3500.00	...	3500.00	4500.00	...	4500.00
7. Additional Central Assistance for Externally Aided Projects (Block Loans)	...	17499.95	17499.95	...	20000.00	20000.00	...	23800.84	23800.84	...	19723.28	19723.28
	...	-13900.73	-13900.73	...	-14016.00	-14016.00	...	-13762.12	-13762.12	...	-12262.05	-12262.05
<i>Net</i>	...	3599.22	3599.22	...	5984.00	5984.00	...	10038.72	10038.72	...	7461.23	7461.23
8. Transfer to National Disaster Response Fund												
8.01 Transfer to National Disaster Response Fund (NDRF)	3660.00	...	3660.00	2500.00	...	2500.00	2315.00	...	2315.00	2480.00	...	2480.00
8.02 Less National Calamity Contingent Duty (Customs)	-576.68	...	-576.68	-750.00	...	-750.00	-515.00	...	-515.00	-545.00	...	-545.00

(In ₹ crores)

	Actual 2017-2018			Budget 2018-2019			Revised 2018-2019			Budget 2019-2020		
	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total
8.03 Less National Calamity Contingent Duty (Union Excise)	-2938.44	...	-2938.44	-1750.00	...	-1750.00	-1800.00	...	-1800.00	-1935.00	...	-1935.00
<i>Net</i>	144.88	...	144.88	...	...	...	...	...	...	...	...	...
9. Assistance to States from National Disaster Response Fund (NDRF)												
9.01 Assistance to States from National Disaster Response Fund (NDRF)	4722.53	...	4722.53	10000.00	...	10000.00	10000.00	...	10000.00	10000.00	...	10000.00
9.02 Less Amount met from transfer from NDRF	-3660.00	...	-3660.00	-2500.00	...	-2500.00	-2315.00	...	-2315.00	-2480.00	...	-2480.00
<i>Net</i>	1062.53	...	1062.53	7500.00	...	7500.00	7685.00	...	7685.00	7520.00	...	7520.00
10. 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
Total-Other Grants/Loans/Transfers	11657.51	3599.22	15256.73	27500.00	5984.00	33484.00	25185.00	10038.72	35223.72	27520.00	7461.23	34981.23
Grand Total	103901.98	3599.22	107501.20	136873.50	5984.00	142857.50	131313.78	10038.72	141352.50	159422.22	7461.23	166883.45
B. Developmental Heads												
Social Services												
1. Relief on account of Natural Calamities	1207.41	...	1207.41	7500.00	...	7500.00	7685.00	...	7685.00	7520.00	...	7520.00
Total-Social Services	1207.41	...	1207.41	7500.00	...	7500.00	7685.00	...	7685.00	7520.00	...	7520.00
Others												
2. Grants-in-aid to State Governments	102694.57	...	102694.57	129373.50	...	129373.50	123628.78	...	123628.78	151902.22	...	151902.22
3. Loans and Advances to State Governments	...	3599.22	3599.22	...	5984.00	5984.00	...	10038.72	10038.72	...	7461.23	7461.23
Total-Others	102694.57	3599.22	106293.79	129373.50	5984.00	135357.50	123628.78	10038.72	133667.50	151902.22	7461.23	159363.45
Grand Total	103901.98	3599.22	107501.20	136873.50	5984.00	142857.50	131313.78	10038.72	141352.50	159422.22	7461.23	166883.45

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. **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.

7. **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.

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

9.01. **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.

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