MINISTRY OF FINANCE

DEMAND NO. 42

Transfers to States

(In ₹ crores)

	Actual 2024-2025			Budget 2025-2026			Revised 2025-2026			Budget 2026-2027		
	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total
Gross	148067.59	183893.57	331961.16	178207.01	192830.00	371037.01	202508.01	197184.00	399692.01	193821.61	247853.00	441674.61
Recoveries	*-5356.03*	*...*	*-5356.03*	*-10380.00*	*...*	*-10380.00*	*-10839.00*	*...*	*-10839.00*	*-15110.00*	*...*	*-15110.00*
Receipts	*-9457.50*	*-18192.41*	*-27649.91*	*-10380.00*	*-22234.53*	*-32614.53*	*-10140.00*	*-22230.71*	*-32370.71*	*-10910.00*	*-21471.09*	*-32381.09*
Net	**133254.06**	**165701.16**	**298955.22**	**157447.01**	**170595.47**	**328042.48**	**181529.01**	**174953.29**	**356482.30**	**167801.61**	**226381.91**	**394183.52**
A. The Budget allocations, net of recoveries and receipts, are given below:												
TRANSFERS TO STATES/UTs												
Centrally Sponsored Schemes												
1. Assistance to States for Public Health Infrastructure												
1.01 Program Component	...	...	...	...	...	...	699.00	...	699.00	4200.00	...	4200.00
1.02 Transfer to Health Security se National Security Cess Fund	...	...	...	...	...	...	699.00	...	699.00	4200.00	...	4200.00
1.03 Amount met from Health Security se National Security Cess Fund	...	...	...	...	...	...	-699.00	...	-699.00	-4200.00	...	-4200.00
Net	*...*	*...*	*...*	*...*	*...*	*...*	*699.00*	*...*	*699.00*	*4200.00*	*...*	*4200.00*
Finance Commission Grants												
Grants-in-aid of Revenues of States under Article 275(1) of the Constitution and other Finance Commission Grants												
2. Grants for Local Bodies												
2.01 Rural Bodies	41261.96	...	41261.96	48573.00	...	48573.00	54314.00	...	54314.00	55909.00	...	55909.00
2.02 Urban Bodies-Basic Component	19260.11	...	19260.11	26158.00	...	26158.00	26023.00	...	26023.00	37272.00	...	37272.00
2.03 Urban Bodies-Special Infrastructure Component	...	...	...	...	...	...	...	...	...	6000.00	...	6000.00
2.04 Urban Bodies-Urbanisation Premium Component	...	...	...	...	...	...	...	...	...	2000.00	...	2000.00
Total- Grants for Local Bodies	*60522.07*	*...*	*60522.07*	*74731.00*	*...*	*74731.00*	*80337.00*	*...*	*80337.00*	*101181.00*	*...*	*101181.00*
3. Grants-in-Aid for State Disaster Response Fund	20264.40	...	20264.40	21575.20	...	21575.20	24257.00	...	24257.00	22574.10	...	22574.10
4. Grants-in-Aid for State Disaster Mitigation Fund	4984.25	...	4984.25	5393.80	...	5393.80	9258.00	...	9258.00	5641.50	...	5641.50
5. Post Devolution Revenue Deficit Grant	24483.00	...	24483.00	13705.00	...	13705.00	13705.00	...	13705.00	...	...	...
6. Grants for Health Sector	10604.44	...	10604.44	15272.00	...	15272.00	25171.00	...	25171.00	...	...	...
7. Grants for Incubation of new Cities	...	...	...	2000.00	...	2000.00	...	...	...	...	...	...
8. Grants for shared Municipal Services	...	...	...	90.00	...	90.00	225.00	...	225.00	...	...	...

(In ₹ crores)

	Actual 2024-2025			Budget 2025-2026			Revised 2025-2026			Budget 2026-2027		
	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total
Total-Grants-in-aid of Revenues of States under Article 275(1) of the Constitution and other Finance Commission Grants	**120858.16**	**...**	**120858.16**	**132767.00**	**...**	**132767.00**	**152953.00**	**...**	**152953.00**	**129396.60**	**...**	**129396.60**
Total-Finance Commission Grants	**120858.16**	**...**	**120858.16**	**132767.00**	**...**	**132767.00**	**152953.00**	**...**	**152953.00**	**129396.60**	**...**	**129396.60**
Other Grants/Loans/Transfers												
9. Special Assistance	3350.00	...	3350.00	10000.00	...	10000.00	10000.00	...	10000.00	15000.00	...	15000.00
10. Support for COVID-19 Vaccination	...	...	...	0.01	...	0.01	0.01	...	0.01	0.01	...	0.01
11. Special Assistance as Loan to States/UTs (with Legislature) for Capital Investment	...	149483.73	149483.73	...	150000.00	150000.00	...	150000.00	150000.00	...	200000.00	200000.00
12. Additional Central Assistance for Externally Aided Projects (Grants)	8173.68	...	8173.68	10000.00	...	10000.00	12957.00	...	12957.00	15745.00	...	15745.00
13. Additional Central Assistance for Externally Aided Projects (Back to Back Loans including Block Loans)	...	34409.84	34409.84	...	42730.00	42730.00	...	47184.00	47184.00	...	47753.00	47753.00
	...	-18192.41	-18192.41	...	-22134.53	-22134.53	...	-22230.71	-22230.71	...	-21371.09	-21371.09
Net	*...*	*16217.43*	*16217.43*	*...*	*20595.47*	*20595.47*	*...*	*24953.29*	*24953.29*	*...*	*26381.91*	*26381.91*
14. Transfer to National Disaster Response Fund/ National Disaster Mitigation Fund												
14.01 Transfer to National Disaster Response Fund/ National Disaster Mitigation Fund	9610.00	...	9610.00	10380.00	...	10380.00	10140.00	...	10140.00	10910.00	...	10910.00
14.02 Less National Calamity Contingent Duty (Customs)	-1116.28	...	-1116.28	-1220.00	...	-1220.00	-1140.00	...	-1140.00	-1160.00	...	-1160.00
14.03 Less National Calamity Contingent Duty (Union Excise)	-8341.22	...	-8341.22	-9160.00	...	-9160.00	-9000.00	...	-9000.00	-9750.00	...	-9750.00
Net	*152.50*	*...*	*152.50*	*...*	*...*	*...*	*...*	*...*	*...*	*...*	*...*	*...*
15. Assistance to States from National Disaster Response Fund and National Disaster Mitigation Fund												
15.01 Assistance to States from National Disaster Response Fund (NDRF)	5356.03	...	5356.03	12048.00	...	12048.00	12048.00	...	12048.00	11496.00	...	11496.00
15.02 Assistance to States from National Disaster Mitigation Fund (NDMF)	719.72	...	719.72	3012.00	...	3012.00	3012.00	...	3012.00	2874.00	...	2874.00
15.03 Less Amount met from transfer from NDRF/NDMF	-5356.03	...	-5356.03	-10380.00	...	-10380.00	-10140.00	...	-10140.00	-10910.00	...	-10910.00
Net	*719.72*	*...*	*719.72*	*4680.00*	*...*	*4680.00*	*4920.00*	*...*	*4920.00*	*3460.00*	*...*	*3460.00*
16. Loans as Advance Assistance for Relief (erstwhile Ways and Means Advance)	...	...	...	...	100.00	100.00	...	...	...	...	100.00	100.00
	...	...	...	...	-100.00	-100.00	...	...	...	...	-100.00	-100.00
Net	*...*	*...*	*...*	*...*	*...*	*...*	*...*	*...*	*...*	*...*	*...*	*...*
Total-Other Grants/Loans/Transfers	**12395.90**	**165701.16**	**178097.06**	**24680.01**	**170595.47**	**195275.48**	**27877.01**	**174953.29**	**202830.30**	**34205.01**	**226381.91**	**260586.92**
Grand Total	***133254.06***	***165701.16***	***298955.22***	***157447.01***	***170595.47***	***328042.48***	***181529.01***	***174953.29***	***356482.30***	***167801.61***	***226381.91***	***394183.52***
B. Developmental Heads												
Social Services												
1. Medical and Public Health	...	...	...	0.01	...	0.01	0.01	...	0.01	0.01	...	0.01
2. Relief on account of Natural Calamities	152.50	...	152.50	1668.00	...	1668.00	4920.00	...	4920.00	3460.00	...	3460.00
Total-Social Services	**152.50**	**...**	**152.50**	**1668.01**	**...**	**1668.01**	**4920.01**	**...**	**4920.01**	**3460.01**	**...**	**3460.01**

(In ₹ crores)

	Actual 2024-2025			Budget 2025-2026			Revised 2025-2026			Budget 2026-2027		
	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total
Others												
3. Grants-in-aid to State Governments	133101.56	...	133101.56	155779.00	...	155779.00	176609.00	...	176609.00	164341.60	...	164341.60
4. Loans and Advances to State Governments	...	165701.16	165701.16	...	170595.47	170595.47	...	168953.29	168953.29	...	211381.91	211381.91
5. Loans and Advances to Union Territory Governments	...	...	...	...	...	...	...	6000.00	6000.00	...	15000.00	15000.00
Total-Others	**133101.56**	**165701.16**	**298802.72**	**155779.00**	**170595.47**	**326374.47**	**176609.00**	**174953.29**	**351562.29**	**164341.60**	**226381.91**	**390723.51**
Grand Total	**133254.06**	**165701.16**	**298955.22**	**157447.01**	**170595.47**	**328042.48**	**181529.01**	**174953.29**	**356482.30**	**167801.61**	**226381.91**	**394183.52**

1. **Assistance to States for Public Health Infrastructure:** Provision is for providing financial assistance to States for upgradation of public health infrastructure.

2. **Grants for Local Bodies:** As per Finance Commission recommendations, allocation is to provide grants for Rural Local Bodies and Urban Local Bodies including Special Infrastructure Component and Urbanisation Premium.

3. **Grants-in-Aid for State Disaster Response Fund:** As per Finance Commission's recommendations allocation is made for financing of disaster relief to the States.

4. **Grants-in-Aid for State Disaster Mitigation Fund:** As per Finance Commission recommendations, allocation is for Grants-in-aid for State Disaster Mitigation Fund (SDMF).

9. **Special Assistance:** This provision has been earmarked for spill over committed liabilities for which budget provision is not made and other need-based assistance to the States.

11. **Special Assistance as Loan to States/UTs (with Legislature) for Capital Investment:** This provision has been earmarked to extend loan for capital Investment to States and Union Territories.

12. **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 is for the grant component for EAPs to states.

13. **Additional Central Assistance for Externally Aided Projects (Back to Back Loans including 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 the same is made under Major Head 6002.

14.01. **Transfer to National Disaster Response Fund/ National Disaster Mitigation Fund:** Provision is for transferring of receipts of NCCD to NDRF/NDMF.

15.01. **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).

15.02. **Assistance to States from National Disaster Mitigation Fund (NDMF):** Assistance to States from National Disaster Mitigation Fund (NDMF)

16. **Loans as Advance Assistance for Relief (erstwhile Ways and Means Advance):** This is a provision for temporary advance to facilitate the State Governments to tide over short term liquidity mismatches.