

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

**LOK SABHA  
UNSTARRED QUESTION NO. 217**

TO BE ANSWERED ON Monday, July 22, 2024/31 Ashadha, 1946 (Saka)

**Centrally Sponsored Schemes for Kerala**

**217. SHRI V K SREEKANDAN:**

Will the Minister of FINANCE be pleased to state:

- a) whether it is a fact the State government of Kerala has urged the Central government to increase its share in Centrally Sponsored Schemes from 60% to 75%, if so, the details thereof;
- b) whether the State has also urged the Centre to provide more power in the implementation of the CSS and framing of their guidelines; if so, the details thereof;
- c) whether it is also a fact that the State Government has also sought financial assistance for infrastructure projects; and
- d) if so, the details thereof along with the steps taken by the government on the request of the State Government of Kerala?

**ANSWER**

**MINISTER OF STATE FOR FINANCE  
(SHRI PANKAJ CHAUDHARY)**

**(a) to (c):** Yes Sir. A letter from Sh. K N Balagopal, Minister for Finance, Government of Kerala dated 27.06.2024 addressed to Smt. Nirmala Sitharaman, Finance Minister, Government of India enclosing a copy of memorandum submitted during the Pre-Budget consultation held on 22.06.2024, in which a detailed account of various demands of the State of Kerala is mentioned was received in Ministry of Finance. The request from the State Government of Kerala as mentioned in the part (a) to (c) of the question are part of the various demands of the State Government of Kerala conveyed through aforementioned copy of memorandum dated 22.06.2024.

**(d):** As regards fund sharing pattern, it is to state that the extant fund sharing pattern under Centrally Sponsored Schemes is guided by NITI Aayog vide its O.M. No. O-11013/02/2015-CSS & CMC dated 17th August, 2016.

The ibid OM vide para 6.1 and 6.2 also provides flexibility in the choice of components under the Centrally Sponsored Schemes to the States. Flexi funds available in each Centrally Sponsored Schemes were raised from 10% to 25%.

To meet with special fiscal needs of the State, Finance Commission Grants, Measures to enhance borrowing limits, recourse to Open Market Borrowing (OMB) & 50 years interest free loan under the scheme for special assistance to States have been provided. Details of the same are provided in the **Annexure**.

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## Annexure

- Statement showing Releases of grants to the State Government of Kerala by Ministry of Finance as recommended by the 15<sup>th</sup> Finance Commission

(Rs. Crore)

S. No	Components	15 <sup>th</sup> Finance Commission award period			
		2020-21	2021-22	2022-23	2023-24
1.	Post Devolution Revenue Deficit Grant	15322.80	19891.00	13174.00	4749.00
2.	Union Share of State Disaster Response Fund	314.00	251.20	264.00	277.60
3.	Union Share of State Disaster Mitigation Fund	0	62.80	0.00	100.70
4.	Urban Local Bodies grants	784.00	336.00	604.00	400.36
5.	Rural Local Bodies grants	1628.00	1203.00	1246.00	1260.00
6.	Health Sector grant	0.00	427.13	94.30	458.03
	<b>Grand Total (1+2+3+4+5+6)</b>	<b>18048.80</b>	<b>22171.13</b>	<b>15382.30</b>	<b>7245.69</b>

Note: - In addition to above, in F.Y 2024-25 (up to 18-07-2024), Rs. 34.70 crore has been provided to the State Government of Kerala as Union Share of State Disaster Mitigation Fund.

- Other fiscal measures taken by Union Government to make sufficient financial resources available with the State Government of Kerala are as below:

### For the year 2024-25

- (i) Normal Borrowing Ceiling (NBC) of Kerala has been fixed at 3 percent of GSDP, amounting to Rs. 37,512 crores.
- (ii) Gross Borrowing Ceiling of Kerala has been fixed at Rs. 48,171.55 crore after adjustment in NBC for repayment of loans, additional borrowings, off-budget borrowings and over/under utilization of previous years borrowings.
- (iii) An additional borrowing of Rs. 1,998.42 crore has been provided to the State Government of Kerala for amount deposited under the New Pension System (NPS).
- (iv) Further, the Government of Kerala is also eligible for 50 years interest free loan under the Scheme for Special Assistance to States for Capital Investment. An amounting to Rs. 1,059 crores have been allocated to the State under Part-I (untied) of the scheme.
- (v) As per the request of the State Government of Kerala, adhoc consent of Government of India under Article 293 (3) of the Constitution of India for raising Open Market Borrowing (OMB) for an amount of Rs. 3,000 crores have been issued to the State Government of Kerala for the first nine months of FY 2024-25.