

Centre releases revenue deficit grant of Rs 7183 Cr to 14 States

By TIOL News Service

NEW DELHI, AUG 3, 2022: THE

Department of Expenditure, Ministry of Finance has on Wednesday released the 5 th monthly instalment of Post Devolution Revenue Deficit (PDRD) Grant of Rs. 7,183.41 crore to 14 States. The grant has been released as per the recommendations of the Fifteenth Finance Commission.

The Fifteenth Finance Commission has recommended a total Post Devolution Revenue Deficit Grant of Rs. 86,201 crore to 14 States for the financial year 2022-23. The recommended grant is released by the Department of Expenditure to the recommended States in 12 equated monthly instalments. With the release of 5 th instalment for the month of August, 2022, the total amount of Revenue Deficit Grants released to the States in 2022-23 has gone up to Rs. 35,917.08 crore.

The Post Devolution Revenue Deficit Grants are provided to the States under Article 275 of the Constitution. The grants are released to the States as per the recommendations of the successive Finance Commissions to meet the gap in Revenue Accounts of the States post devolution.

The eligibility of States to receive this grant and the quantum of grant for the period from 2020-21 to 2025-26 was decided by the Fifteenth Finance Commission based on the gap between assessment of revenue and expenditure of the State after taking into account the assessed devolution during this period.

The States who have been recommended Post Devolution Revenue Deficit Grant by the Fifteenth Finance Commission during 2022-23 are : Andhra Pradesh, Assam, Himachal Pradesh, Kerala, Manipur, Meghalaya, Mizoram, Nagaland, Punjab, Rajasthan, Sikkim, Tripura, Uttarakhand and West Bengal.

State-wise details of Post Devolution Revenue Deficit Grant recommended for 2022-23 and the amount released to States as 5 th instalment are as under:

State-wise Post Devolution Revenue Deficit Grant (PDRDG) Released

(Rs in crore)

| S. No. | Name of State | PDRDG recommended by FC-XV for the year 2022-23. | 5 th instalment released for the month of August, 2022. | Total PDRDG released to States during 2022-23. |
|--------|----------------|--|---|--|
| 1 | Andhra Pradesh | 10,549 | 879.08 | 4395.42 |
| 2 | Assam | 4,890 | 407.50 | 2037.50 |

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|----|------------------|--------|---------|---------|
| 3 | Himachal Pradesh | 9,377 | 781.42 | 3907.08 |
| 4 | Kerala | 13,174 | 1097.83 | 5489.17 |
| 5 | Manipur | 2,310 | 192.50 | 962.50 |
| 6 | Meghalaya | 1,033 | 86.08 | 430.42 |
| 7 | Mizoram | 1,615 | 134.58 | 672.92 |
| 8 | Nagaland | 4,530 | 377.50 | 1887.50 |
| 9 | Punjab | 8,274 | 689.50 | 3447.50 |
| 10 | Rajasthan | 4,862 | 405.17 | 2025.83 |
| 11 | Sikkim | 440 | 36.67 | 183.33 |
| 12 | Tripura | 4,423 | 368.58 | 1842.92 |
| 13 | Uttarakhand | 7,137 | 594.75 | 2973.75 |
| 14 | West Bengal | 13,587 | 1132.25 | 5661.25 |