

## Monthly Summary Report of February, 2023

### I Financial Position of States

The month of February, 2023 saw upward trend in the States' monthly fiscal assets as compared to January, 2023. The daily fiscal assets of the States at the end of the month of January, 2023 was Rs. 2,57,126.67 crore, whereas at the end of the month of February, 2023 the daily fiscal assets of the States was Rs. 3,06,206.58 crore.

During the month of February, 2023, a total of Rs. 2,079.78 crore was released as Additional Central Assistance for Externally Aided Projects (EAPs) to States as per the details given in the Table below:

(Rs. in crore)

Sl. No.	Scheme	Amount Released
1	ACA for Externally Aided Projects (EAPs)-Grant	1.49
2	ACA for Externally Aided Projects (EAPs)-Loan	2078.29
	<b>Grand Total</b>	<b>2079.78</b>

### **Consent of Open Market Borrowing (OMB) and Negotiated Loans (NL) allowed to the States:**

During the month of February, 2023, Government of India (GoI) consent for raising Open Market Borrowing (OMB) of Rs. 88,514 crore was issued to States under Article 293(3) of the Constitution of India. This includes additional borrowings of Rs. 5,858 crore allowed to the State of Andhra Pradesh based on the recommendation of Ministry of Power for performance in Power Sector in FY 2022-23.

During the month of February, 2023, as per the recommendations of the 15th Finance Commission, a total of Rs. 14,006.77 crore was released to the States as per the details given in the following Table:

(Rs. in crore)

Sl. No.	Description	Amount Released
1	Post Devolution Revenue Deficit Grant	7183.42
2	Centre's contribution to State Disaster Response Fund (SDRF)	1976.40
3	Centre's share of State Disaster Mitigation Fund (SDMF)	0.00
4	Grant for Urban Local Bodies	1100.35
5	Grant for Rural Local Bodies	3733.00
6	Health Sector Grant	13.60
7	Assistance from National Disaster Response Fund (NDRF)	0.00
	<b>Total</b>	<b>14006.77</b>

In addition, a sum of Rs. 1,40,317.75 crore was released by Department of Economic Affairs as share of Central Taxes and Duties to the States during the month of February, 2023.

### **Special Assistance to States for Capital Investment for 2022-23:**

The Government of India has launched a redesigned and expanded Scheme for the year 2022- 23 named as 'Special Assistance to States for Capital Investment 2022-23'. The Scheme guidelines on the scheme 'Special Assistance to States for Capital Investment 2022-23' have been issued vide letters No. 44(1)/PF-S/2022-23 (CAPEX) dated 06.04.2022, 06.07.2022 and 16.12.2022. Capital Expenditure amounting to Rs. 85,717.24480 crore has been approved and an amount of Rs. 47,898.61005 crore has so far been released to the eligible States under the Scheme.

### **Special Assistance to States for Capital Investment for 2023-24:**

'Scheme for Special Assistance to States for Capital Investment 2023-24' has been announced in the Union Budget for 2023-2024. An amount of Rs. 1,30,000 crore has been allocated for the Scheme for the year 2023-24. Under the Scheme, financial assistance will be provided to the State Governments in the form of 50-year interest free loan for capital investment projects. Accordingly, the Union Government have issued the scheme guidelines on the Scheme for Special Assistance to States for Capital Investment 2023-24 vide letter No. 44(1)/PF-S/2023-24 (CAPEX) dated 03.02.2023 to the States.

Further, the scheme guidelines include eight Parts and an amount of Rs. One lakh crore is allocated amongst States in proportion to their share of Tax Devolution under Part-1, which is untied. Similarly, an amount of Rs. 3,000 crore under Part-II (Incentives for Scrapping Old Vehicles), an amount Rs. 15,000 crore under Part-III (Urban Planning Reforms), an amount of Rs.5,000 crore under Part-IV (Financing Reforms in Urban Local Bodies to make them creditworthy for Municipal Bond and for issue of Municipal Bonds), an amount of Rs. 2,000 crore under Part-V (Housing for Police Personal above or as part of Police Station in Urban areas), an amount of Rs.5,000 crore under Part-VI (Construction of Unity Malls) and an amount of Rs.5,000 crore under Part-VII (Children and Adolescents' Libraries and Digital Infrastructure) is earmarked under the Scheme for 2023-24. In addition, incentives under Part-VIII (Incentive for implementing "Just-in Time" release of CSS funds by State Government to vendors and beneficiaries using RBI's e-Kuber Model and for timely release of Central and State Share of Funds to SNA) is also provided to States.

The scheme guidelines, inter-alia, include, mandatory conditions to be fulfilled by the States in order to avail benefits under any Part of the Scheme. Such mandatory conditions stipulated in Para (4) of the scheme guidelines are as below:

- Full compliance with the official name of all Centrally Sponsored Schemes (CSSs) [correct translation to local language is permissible] and any guidelines/instructions issued by the Government of India regarding branding of CSSS, in all Schemes of all Ministries.
- Integration of State treasuries with PFMS and exchange of data between State treasuries and PFMS in respect of all State Linked Schemes for CSS in a State for which the State has received funds from the Central Government in past 21 days.

- Deposit of central share of interest earned in SNA accounts till 31" March, 2023 in the Consolidated Fund of India and submission of a certificate to this effect in the format (Annexure-4), signed by the Finance Secretary of the State Government.

Accordingly, Ministries/Departments of Union Government were requested to confirm status of compliance by the State Governments of the branding/official name of Centrally Sponsored Schemes (CSSS) for the financial year 2023-24. Further, any violation of guidelines to preserve the All India Character of CSSs issued vide Department of Expenditure's (DOE's) letter No. 66(1)/PF.II/2015 dated 31.08.2017 shall also be reported and also requested to provide draft supplementary guidelines, if any in respect of Part(s) of the Scheme concerning them to Department of Expenditure vide OM No. 44(1)/PF-S/2023-24 (CAPEX) dated 07.02.2023.

## **II Important orders/notifications issued by the Department during the month of February,2023**

- Vivad Se Vishwas I –Relief for MSMEs vide DoE OM No.1(1)/2023-PPD dated 6<sup>th</sup> February,2023
- Vivad Se Vishwas II (Contractual Disputes) vide DoE OM No. 1/7/2022-PPD dated 8<sup>th</sup> February,2023
- Filling up of the post of Director, Arun Jaitley National Institute of Financial Management, Faridabad (Haryana) by deputation/re-employment/short-term contract vide DoE OM No. A-12026/4/2023-Ad.I dated 16<sup>th</sup> February,2023.
- Amendment to Rule 144(xi) of the General Financial Rules (GFRs), 2017 vide DoE OM No.7/10/2021-PPD dated 23<sup>rd</sup> February,2023.
- Restrictions under Rule 144(xi) of the General Financial Rules (GFRs), 2017 vide DoE OMNo.7/10/2021-PPD(1) dated 23<sup>rd</sup> February,2023.