

## Monthly Summary Report of January,2023

### I Financial Position of States

The month of January, 2023 saw downward trend in the States' monthly fiscal assets as compared to December, 2022. The daily fiscal assets of the States at the end of the month of December, 2022 was Rs. 2,87,443.37 crore, whereas at the end of the month of January, 2023 the daily fiscal assets of the States was Rs. 2,57,126.67 crore.

During the month of January, 2023 (upto 31.01.2023), a total of Rs. 1850.45 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	19.63
2	ACA for Externally Aided Projects (EAPs)-Loan	1830.82
	<b>Grand Total</b>	<b>1850.45</b>

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

During the month of January, 2023 (upto 31.01.2023), GoI consent for raising Open Market Borrowing (OMB) of Rs. 98,957 crore under Article 293(3) of the Constitution of India and consent for availing Negotiated Loan (NL) of Rs. 770 crore from Financial Institutions (FIs) were issued to States under Article 293(3) of the Constitution of India during current financial year 2022-23.

During the month of January, 2023, as per the recommendations of the 15<sup>th</sup> Finance Commission, a total of Rs. 15,749.50 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)	3555.60
3	Centre's share of State Disaster Mitigation Fund (SDMF)	0.00
4	Grant for Urban Local Bodies	2787.00
5	Grant for Rural Local Bodies	2223.48
6	Health Sector Grant	0.00
7	Assistance from National Disaster Response Fund (NDRF)	0.00
	<b>Total</b>	<b>15,749.50</b>

In addition, a sum of Rs. 58,332.86 crore was released by Department of Economic Affairs as share of Central Taxes and Duties to the States during the month of January, 2023.

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

An amount of Rs. 1,07,000 crore has been allocated for the year 2022-23 under the Scheme 'Special Assistance to States for Capital Investment 2022-23' and financial assistance is provided the State Governments in the form of 50-year interest free loan for capital projects. This 50-year interest free loan to a State is over and above the Normal Borrowing Ceiling (NBC) allowed to the State. The financial assistance under the Scheme is provided to the States by the Centre from its overall budgetary resources.

The Scheme guidelines, interalia, include an incentive amount of Rs. 27,000 crore tied to prescribed reforms by States in the seven identified sectors. A new sector 'Road Transport' has been identified for providing incentive tied to prescribed reforms by States under the 'Special Assistance to States for Capital Investment 2022-23' and a new 'Part VIII-Incentives for Scrapping of Old Vehicles' has been added to the Scheme guidelines on the 'Scheme for Special Assistance to States for Capital investment 2022-23' and it has been communicated to the States vide letter dated 16.12.2022. An amount of Rs. 2,000 crore is earmarked for this Part. The Part aims at providing incentive to State Governments for scrapping of State Government vehicles which are older than 15 years at Registered Vehicle Scrapping Facility (RVSF), waiver of liabilities on old vehicles and providing tax concessions to individuals for scrapping of old vehicles. The incentive will be provided based on recommendations of Ministry of Road Transport & Highways and on 'First –come First-served' basis to States.

Till 31.01.2023, Capital Expenditure amounting to Rs. 84,480.18480 crore has been approved and an amount of Rs. 45,243.96505 crore has so far been released to the eligible States under the Scheme.

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

GID (7) under Rule 10 of DFPRs – change in the process related to re-appropriation proposals vide DoE OM No.1(3)/2023-E.II(A) dated 27<sup>th</sup> January,2023.