

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:6091
ANSWERED ON:05.05.2000
WRITING OFF OF LOANS
KINJARAPU YERRANNAIDU

Will the Minister of FINANCE be pleased to state:

(a) whether the Andhra Pradesh Government has requested to write off Rs.3491 crores from the total outstanding loan due from the State Government on account of expenditure incurred on anti-extremist operations being a national problem; and

(b) if so, the action taken thereon?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a): Yes, Sir.

(b): The Eleventh Finance Commission as per its Terms of Reference is required to make an assessment of the debt position of States and suggest such corrective measures as are deemed necessary, keeping in view the long term sustainability for both the Centre and States. Any debt relief to State/States will have to await the recommendations of the Eleventh Finance Commission.