

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:597  
ANSWERED ON:09.07.2004  
DEBT BURDEN OF STATES  
Adhalrao Patil Shri Shivaji

**Will the Minister of FINANCE be pleased to state:**

- (a) the debt burden of various States as on 31st march, 2004.
- (b) whether any State Government has sought the assistance of the Union Government to reduce their debt burden;
- (c) if so, the details thereof, State-wise and;
- (d) the action taken by the Union Government thereon?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

(a): As per column (3) of the statement enclosed.

(b), (c)& (d): Requests are received from State governments from time to time in this regard. In order to help the States, government of India formulated a Debt Swap Scheme which enables the States to pre-pay high cost Government of India loans of the State Governments, bearing interest rate of 13% and above amounting to Rs. 1,14,000 crores as on 31.3.2002 with low coupon bearing Small Savings and Additional Open Market Borrowings. An amount of Rs. 75,273 crores has been swapped so far. This scheme has helped States to reduce their interest burden.

Government of India is also operating a debt relief scheme on the recommendations of the Eleventh Finance Commission.

Government of India has also decided to enable the States to refinance their high cost debt under RIDF with the help of Additional Open Market Borrowings. State-wise details of high cost debt swapped and debt relief granted are shown in columns (4) & (5) of the statement enclosed.

STATEMENT REFERRED TO IN REPLY TO LOK SABHA UNSTARRED QUESTION NO. 597 FOR ANSWER ON 9TH JULY, 2004  
REGARDING DEBT BURDEN OF STATES

(Rs. in crores)

Sl. No. States Total debt outstanding as on 31.03.04 Total Debt Swapped under the award of EFC. Debt Relief under the award as on 1.7.04

(1) (2) (3) (4) (5)

1	Andhra Pradesh	57574	4969.23	77.52
2	Arunachal Pradesh	1118	142.45	1.72
3	Assam	15043	1301.12	
4	Bihar	#49882	3126.53	
5	Chhatisgarh		920.26	
6	Goa	3449	362.49	
7	Gujarat	55318	7570.75	
8	Haryana	19712	2332.23	
9	Himachal Pradesh	13035	1233.72	
10	J&K	11916	919.59	
11	Jharkhand		1330.98	
12	Karnataka	38091	3704.48	
13	Kerala	33708	2194.54	
14	Madhya Pradesh	#40888	2683.4	
15	Maharashtra	71759	8990	
16	Manipur	2463	137.54	2.47

17	Meghalaya	1738	115.77	
18	Mizoram	1793	90.21	
19	Nagaland	2904	109.21	
20	Orissa	33756	1668.96	
21	Punjab	42057	4338.98	42.11
22	Rajasthan	48714	3981.46	
23	Sikkim	908	54.61	
24	Tamil Nadu	44835	4542.55	7.89
25	Tripura	3831	250.04	
26	Uttaranchal	1752.21		
27	Uttar Pradesh	#104079	8496.56	
28	West Bengal	79575	7953.06	

Total 778146 75272.73 131.71

# the States of Bihar, Madhya Pradesh and Uttar Pradesh include the liabilities of newly formed States of Jharkhand, Chhatisgarh and Uttaranchal, respectively.

Source for Column3 : RBI Bulletin 2003-04 on State finances.