

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2543
ANSWERED ON:16.03.2007
DEBT BURDEN OF PUNJAB
Ajnala Dr. Rattan Singh;Dhindsa Shri Sukhdev Singh

Will the Minister of FINANCE be pleased to state:

- (a) the debt burden alongwith interest payable by Punjab to the Union Government as on March 31, 2006; and
(b) the total debt swapped and relief awarded under the recommendations of the 12th Finance Commission?

Answer

MINISTER OF STATE IN MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) Outstanding debt of Punjab Government on Ministry of Finance as on 31.3.2006 is Rs. 9381 crore which includes Rs. 3772 crore as deferred special term loans of Militancy period and Rs. 2339 crore of interest thereon.

(b) Relief to Punjab under TFC recommendations is as under:

(Rs. in crore)		
(i)	Lesser Re-payment of Principal	351.48
(ii)	Interest Relief	523.18
Total		874.66

In addition to above, State will also get the benefit of Debt write-off amounting to Rs. 766.95 crore subject to State's bringing down revenue deficit to zero and Fiscal Deficit/Gross State Domestic Product (GSDP) ratio to 3% by 2008-09. Beside this, Gol has also approved the waiver of special term loans of Rs. 3772 crore and the accrued interest thereon to Government of Punjab for combating terrorist during the period of Militancy.