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**Title: Need to accord approval to the proposal of the Government of Maharashtra seeking one-time grant of Rs.1000 crores to meet liabilities of the State.**

**SHRI NARESH PUGLIA (CHANDRAPUR):** The Government of Maharashtra has submitted a Memorandum to the Union Government to help the State to meet the financial crisis situation. The State Government has sought a one time grant or soft loan (OMB) of at least Rs.1000 crores to meet spill over liabilities caused by unexpected payments like the 5<sup>th</sup> Pay Commission, MSEB, drought, cotton and unexpected reduction in revenue due to economic slowdown. The accumulated spill over is Rs.3500 crores. Bills pending are over Rs.1000 crores. The State Government has to repay Rs.1200 crores as principal and Rs.560 crores as interest to the Government of India in 2003-2004. This should be rescheduled and the interest rate should be reduced by at least three per cent as requested by the Government of Maharashtra. The State Government has also requested the Government of India for a Structural Adjustment Loan from the World Bank. The World Bank has completed all the studies. The Government of India should help the Maharashtra State to get the loan from the World Bank.