

**(viii) Need to write off Rs.3,491 crore outstanding loans**

**Of Andhra Pradesh Government spent on tackling Naxalite  
problems in the State**

SHRI M.V.V.S. MURTHI (VISAKHAPATNAM): Andhra Pradesh has been facing Naxalite problem for more than two decades. A number of civilians and police personnel have been killed. The compensation paid to the families of the civilians and the police personnel killed by the Naxalites, the amount spent on the rehabilitation of surrendered Naxalites and the value of property destroyed, for which the Government has paid compensation, comes to Rs.598.64 crore during the last five years.

The loss of tax resources under commercial taxes and registration is about nine per cent from the six Naxalite-affected districts. If these districts contributed the same *per capita* tax revenue as the other districts of the State, the State Government could have realised additional revenue of Rs.2,892 crore during the last five years.

When the Punjab Government had faced similar problem, the Tenth Finance Commission recommended writing off of Rs.490.60 crore for the period 1995-2000. In addition to this, the then Prime minister had announced that the entire special loans of about Rs.5,000 crore given to the Punjab Government should be written off.

Sir, the Andhra Pradesh Government deserves similar treatment. I, therefore, request the union Government to write off an amount of Rs.3,491 crore from the total outstanding loans due from the State Government to the Government of India.