

**Privatisation of STC and its Subsidiaries**

3768. SHRI RAJ NARAIN PASSI : Will the Minister of COMMERCE be pleased to state:

(a) whether the Government have taken any decision on the recommendations of Disinvestment Board to privatise the affairs of State Trading Corporation of India Ltd. and its subsidiaries; and

(b) if so, the details thereof?

THE MINISTER OF COMMERCE (SHRI RAMA-KRISHNA HEDGE) : (a) and (b) No Sir.

**Fifth Pay Commission**

3769. SHRI BHIM DAHAL : Will the Minister of FINANCE be pleased to state :

(a) whether the State Government have approached the Union Government for Central assistance on account of revision of pay scales made by the States of their employees after the revision of pay scales of Central Government employees on the basis of recommendations of Fifth Pay Commission;

(b) if so, the details of Central assistance sought by each State;

(c) whether Sikkim and Special category States are being accorded any special consideration on this account;

(d) if so, the details thereof; and

(e) the Central assistance provided to each State so far ?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) Yes, Sir.

(b) A statement is enclosed.

(c) to (e) An official committee is being constituted in the Planning Commission to formulate State specific medium term fiscal reform policy linked to a package of immediate assistance to States. The Committee will consider all relevant issues pertaining to their fiscal position, including additional burden on account of implementation of 5th Pay Commission recommendations. The Committee will work out a separate package for special category States. In the meanwhile, discussions are being held in the Ministry of Finance with the States that have approached for immediate assistance.

**Statement**

*Requests received from State Governments seeking additional financial assistance from the Central Government in connection with revision of the Pay of their employees.*

S.No.	State	Request
1	2	3
1.	Andhra Pradesh	Rs.1500 crore per annum as grant-in-aid.
2.	Arunachal Pradesh	Rs. 100 crores for the year 1998-99 as 50% outright grant and 50% Interest free Loan.
3.	Assam	Rs. 700 crore per year upto year 2000 as grant.
4.	Bihar	50% as grant of Rs.8000 crore projected for the 9th Five Year Plan on salary may be met by Govt. of India.
5.	Goa	Rs. 50 crore as Ways and Means Advance for the year 1997-98.
6.	Gujarat	Grant-in-aid to meet the extra burden in the range of Rs.2000 crore to Rs.2200 crore for the year 1997-98 including arrears and Rs.800 crores-Rs.1000 crore per annum thereafter.
7.	Haryana	Additional Central assistance of Rs. 500 cr. as annual requirement and Rs. 1200 crore for the payment of arrears etc; modality may be worked out in a meeting of Chief Ministers.
8.	Himachal Pradesh	Rs.800 crore as outright grant or 90% grant and 10% loan or as long term loan.
9.	Jammu & Kashmir	Rs. 50 crores as additional central assistance for 1996-97 and Rs. 800 crores as a additional central assistance for 1997-98.
10.	Karnataka	Rs.1400 crore per annum. 50% of this amount may be provided as grant.
11.	Kerala	(i) A grant of an amount equivalent to 50% of the incremental expenditure on account of Pay/Pension revision.