

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:949
ANSWERED ON:28.07.2000
LOAN AND GRANTS GIVEN TO STATES
ALI MOHMAD NAIK

Will the Minister of FINANCE be pleased to state:

- (a) whether the State of Jammu and Kashmir given 30% loan and 70% grant till the year 1991 whereas it was entitled to 10% loan and 90% grant as other backward States;
- (b) if so, whether the Union Government had agreed the request of the Government of Jammu & Kashmir that the formula of 10% loan and 90% grant will be applied for the years prior to year 1991;
- (c) if so, whether the Union Government is ready to treat the loans and grants given before the year 1991 as 10% loan and 90% grant; and
- (d) if not, the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

- (a) : The Government of J&K received Plan assistance in the form of 30% grant and 70% loan till 1991. As decided by NDC the Government of J&K started getting Plan assistance at 90% grant and 10% loan w.e.f. 1990-91.
- (b) No, Sir.
- (c) Does not arise.
- (d) The pattern of transfer of Plan assistance to the States is decided by National Development Council, who had decided to allow this pattern of assistance to the J&K only from the year 1990-91 onwards.