

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:7748  
ANSWERED ON:17.05.2002  
ADDITIONAL FUNDS FOR STATES  
UMMAREDDY VENKATESWARLU

**Will the Minister of FINANCE be pleased to state:**

- (a) whether in the Ninth Five Year Plan, projected borrowings for States were about Rs.1,82,075 crores;
- (b) if so, whether the States within the first three years have borrowed about Rs.1,61,000 crores;
- (c) if so, the total borrowings by States during the Ninth Five Year Plan;
- (d) the steps taken to monitor such excessive borrowings;
- (e) whether additional plan assistance will be given to States doing good work in implementation of plan; and
- (f) if so, the details of additional assistance to States in the Ninth Plan?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN )

(a)&(b) : Yes, Sir.

(c) Total borrowings by States during Ninth Five Year Plan period are estimated at Rs.2,92,812 crores according to the Planning Commission.

(d) Subsequent to the recommendations of the Eleventh Finance Commission (EFC), the Ministry of Finance has drawn up a scheme called the State's Fiscal Reforms' facility which aims at fiscal consolidation. The prudential limits of debt are decided within the Medium Term Fiscal Reforms Programme (MTFRP) evolved by the State Governments.

(e) & (f) : Additional Central assistance is decided by the Planning Commission in consultation with the State Governments.