

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4602
ANSWERED ON:23.12.2005
STRUCTURAL ADJUSTMENT LOAN
Rawale Shri Mohan;Verma Shri Ravi Prakash

Will the Minister of FINANCE be pleased to state:

- (a) whether certain State Governments have requested the Union Government for a one time grant of soft loan and forwarded their structural adjustment loans to the World Bank to help them overcome the current financial crisis;
- (b) if so, the extent of one time grant and Structural Adjustment Loans (SAL) sought by the State Governments; and
- (c) the Union Government's reaction thereto ?

Answer

Minister of State in the Ministry of Finance SHRI S. S. PALANIMANICKAM

(a)and(b): Yes, Sir. The States of Maharashtra, Andhra Pradesh, Punjab, Orissa, Karnataka, Rajasthan, Uttar Pradesh and Himachal Pradesh have sought SAL assistance. The amount requested varies from US \$ 200 million to US \$ 750 million.

(c) The revised guidelines for availing Structural Adjustment Loan assistance, drawn up in consultation with the states have been issued by Department of Expenditure on 24th October, 2005. The State Governments are now required to send their proposals in terms of the revised guidelines.