

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2593
ANSWERED ON:12.03.2010
EXPENSES ON MILITANCY IN PUNJAB
Bajwa Shri Partap Singh

Will the Minister of FINANCE be pleased to state:

- (a) whether Punjab Government has since paid the entire amount with interest due on it in respect of expenditure incurred by that State to meet the problem of militancy;
- (b) if so, the details thereof and if not the status of the debt unpaid as on date;
- (c) whether the Union Government proposes to waive off the entire amount as a special case; and
- (d) if so, the details thereof?

Answer

MINISTER OF STATE IN MINISTRY OF FINANCE(SHRI NAMO NARAIN MEENA)

(a) to (d): Central Government provided Special Term Loans of Rs. 5799.92 crore to Government of Punjab for combating terrorism during the period of militancy from 1984-85 to 1993-94. Out of this amount, a sum of Rs. 771.24 crore (principal) and Rs. 1923.43 crore (interest) was paid by the State Government and Rs. 761.46 crore (principal) and Rs. 2156.43 crore (interest) was waived by Gol. Further an amount of Rs. 495.21 crore (principal) was waived on the basis of the recommendations of Tenth Finance Commission. Thus, the outstanding loan (principal) as on 31.03.2000 was Rs. 3772.01 crore.

The loan amount of Rs.3772.01 crore outstanding against Government of Punjab was written off by Gol vide sanction dated 31.03.2007 and the interest of Rs. 2728.48 crore was also written off vide sanction dated 31.03.2008.