

**GOVERNMENT OF INDIA  
URBAN DEVELOPMENT  
LOK SABHA**

UNSTARRED QUESTION NO:4015  
ANSWERED ON:03.12.2010  
IDSMT  
Mohan Shri P. C.

**Will the Minister of URBAN DEVELOPMENT be pleased to state:**

- (a) whether some State Government including the Government of Karnataka have requested to the Union Government for converting the loan released under the Integrated Development of Small and Medium Towns (IDSMT) into 100% grant;
- (b) if so, the details thereof; and
- (c) the reaction of the Union Government thereto?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF URBAN DEVELOPMENT (SHRI SAUGATA ROY)

(a) and (b): Yes, Madam. Some State Governments including Karnataka had requested for converting the loan released under the Integrated Development of Small and Medium Towns (IDSMT) Scheme into grants. In 2002-03, Government of Karnataka requested for converting the loan component under the Integrated Development of Small and Medium Towns (IDSMT) Scheme into grant.

(c): There is no provision in the guidelines of IDSMT (August, 1995) to convert the loan component into grant. Accordingly, such requests from the States were not considered.