

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3925
ANSWERED ON:03.12.2010
GSDP
Acharia Shri Basudeb

Will the Minister of FINANCE be pleased to state:

- (a) the State-wise debt burden and the ratio of debt to the Gross State Domestic Product (GSDP) in 2007-08, 2008-09 and 2009-10;
- (b) the comparative figure of the Centre and State expenditure like salaries, interest payments and subsidies;
- (c) the time by which the Government is likely to concede the demands of the State Governments to increase the share of small savings to 50 per cent;
- (d) whether the attention of the Government has been drawn to the banks' discrimination against Eastern States for a very long period; and
- (e) If so, the steps taken in this regard?

Answer

Minister of State in the Ministry of Finance(SHRI NAMO NARAIN MEENA)

- (a) The outstanding debt statistics of State Governments and ratios of debt to GSDP, for the years 2007-08, 2008-09 and 2009-10, as reported by Reserve Bank of India in its publication "State Finances – A study of Budgets of 2009-10" are in the annexed statement.
- (b) The expenditure statistics for the Centre on account of salaries, interest payments and subsidies for the year 2008-09 are Rs. 71,726 crore (excluding travel expenses), Rs.1,91,641 crore and Rs.1,29,708 crore, respectively. The expenditure figures of States aggregated for these items, as gleaned from the Finance Accounts of States for 2008-09 work out to Rs.1,65,274 crore, Rs.1,02,682 crore and Rs.37,634 crore respectively.
- (c) The net small savings collection is being shared between the States and the Centre in the ratio of 80:20 with the option to the states to take upto 100 per cent of their net collections. The revised sharing pattern has been made effective from 1st April 2007.
- (d)& (e) Banks have not discriminated against Eastern States in any manner. However, expansion of bank branch network in North Eastern have been slow due to infrastructure bottlenecks and security concerns. Banks have been encouraging staff to work in North Eastern regions by providing special incentives.