

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1392
ANSWERED ON:04.03.2011
FISCAL DEFICIT-GSDP RATIO OF STATES
Bhagora Shri Tarachand

Will the Minister of FINANCE be pleased to state:

(a) the details of loan waiver to States provisionally allowed for the years 2008-09 and 2009-10 alongwith the State's ratio of fiscal deficit to gross state domestic product pertaining to the same period, State-wise including Rajasthan; and

(b) the State-wise details of debt actually waived during the same period alongwith reasons therefor?

Answer

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

(a) & (b): As recommended by the Twelfth Finance Commission (TFC), during its award period 2005-10, under the Debt Consolidation and Relief Facility (DCRF), in order to reduce the time lag in providing debt relief, based on the revenue deficit indicated in the revised estimates of the preceding year, provisional debt waiver is allowed so that the relief in respect of a year is available in the immediately succeeding year and necessary adjustment is carried out subsequently once the finance accounts become available. A statement showing details of debt waiver allowed provisionally to States during 2008-09 and 2009-10, along with fiscal deficit (FD) to gross state domestic product (GSDP) ratios based on available finance accounts and State Budgets and status of debt actually waived is annexed.