

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:39  
ANSWERED ON:08.08.2012  
RECOVERY OF LOAN UNDER DCRF  
Jakhar Shri Badri Ram

**Will the Minister of FINANCE be pleased to state:**

- (a) whether a loan worth Rs. 308.70 crore of the Government of Rajasthan had been waived off under Debt Consolidation and Rehabilitation Facility (DCRF) in 2008-09;
- (b) if so, the details thereof;
- (c) the latest parameters of Gross Domestic Product of the State adopted for fixing loan limit of the State and the reasons for not adopting it in loan waiver;
- (d) whether the Government of Rajasthan has requested to consider parameters of latest Gross State Domestic Product to fix loan limit of the State; and
- (e) if so, the reaction of the Union Government thereto alongwith the reasons for not adopting it in loan waiver?

**Answer**

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

(a) & (b) A provisional debt waiver of Rs.308.70 crore was extended to the Government of Rajasthan, for the year 2008-09, under the Debt Consolidation and Relief Facility (DCRF), based on the State's 2008-09 Budget Estimates, which indicated a fiscal deficit (FD) to Gross State Domestic Product (GSDP) ratio of 3.3%, within the prescribed limit of 3.5%. On reassessment of all States' FD to GSDP ratio upon availability of Finance Accounts for 2008-09, the Government of Rajasthan was found to have breached target, making the State ineligible for confirmation of provisionally granted debt waiver.

(c) GSDP estimates received through the Central Statistical Organisation (2004-05 series) have been used to work out annual net borrowing ceiling of each State for the year 2012-2013. The DCRF Scheme came to an end in 2009-2010.

(d) & (e) Government of Rajasthan had requested that GSDP estimates (2004-05 series) be adopted to determine the State's eligibility for debt waiver for 2008-09 and 2009-2010. In these years, GSDP estimates (1999-2000 series) had been used to calculate annual borrowing ceilings for all States. It has not been found appropriate to revise GSDP estimates retrospectively after the borrowing ceilings had been finalised.