

**GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF ECONOMIC AFFAIRS**

**LOK SABHA**

**UNSTARRED QUESTION NO. 1731  
TO BE ANSWERED ON FRIDAY 27<sup>th</sup> July, 2018  
[5 Shravana, 1940 (SAKA)]**

**‘States’ Loans’**

**No. 1731, SHRI ASHOK MAHADEORAO NETE:**

Will the MINISTER OF FINANCE be pleased to state:

- a) whether State Government have taken loans from the Union Government during the last three years till date;
- b) if so, the details thereof for the said period, State/year-wise;
- c) the details of the specific purposes for which these loans were taken by the State Governments and the Heads under which the loans were utilized;
- d) whether the Government has received complaints regarding the gross misuse of loan taken by the state Government and if so, the details thereof as on date, State wise;
- e) whether the Union Government has received any representation from several State Governments for postponement of repayment of due outstanding amount as on date and if so, the details of issues mentioned in the said representations; and
- f) the action taken/proposed to be taken by the Union Government in this regards?

**ANSWER**

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI PON. RADHAKRISHNAN)**

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(a) & (b): Yes, The Ministry of Finance provides Externally Aided Project (EAP) Loans to the State Governments. The detail of EAP loans provided to States during last three years is enclosed as Annexure ‘A’.

(c) & (d): The loans that have been extended to State Governments are developmental loans from Multilateral and Bilateral lending agencies. These are for implementation of specific schemes / projects which are on re-imbusement basis. Since as per re-imbusement mechanism, if the scheme / projects guidelines are strictly followed, installment amounts are released.

(e) & (f): Union Government has received many requests from various State Governments for restructuring / waiver / postponement of outstanding loans. No such request / proposal has been agreed to in recent past.

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