

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF EXPENDITURE**

**LOK SABHA
UNSTARRED QUESTION NO. †2942
TO BE ANSWERED ON FRIDAY, 03rd August, 2018
12 SHRAVANA, SAKA 1940**

Additional Loans Guidelines

†2942. SHRI AJAY MISRA TENI:

Will the Minister of FINANCE be pleased to state:

- (a) whether his Ministry proposes to amend the guidelines regarding prior permission of Union Government for availing additional loan by the States;
- (b) if so, the details thereof and the extent to which it is likely to help the States availing loan; and
- (c) if not, the reasons therefor?

ANSWER

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

- (a) No, Sir.
- (b) In view of part (a) above, the question does not arise.
- (c) Article 293(3) of Constitution of India states that a State may not without the consent of the Government of India raise any loan if there is still outstanding any part of a loan which has been made to the State by the Government of India or by its predecessor Government, or in respect of which a guarantee has been given by the Government of India or by its predecessor Government.
