

(b) if so, whether Government of Karnataka has asked for sharing of funds for the purpose; and

(c) if so, the details thereof and Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) to (c) The decision to adopt Central Government pay scales for State Government employees, is one to be taken by individual State Governments. However, subsequent to the Central Government adopting the recommendations of the Fifth Pay Commission, most States including Karnataka, have adopted these pay scales for their employees.

A number of States had requested for assistance, consequent to the impact of Fifth Central Pay Commission. Subsequently, the Eleventh Finance Commission (EFC) was constituted as per the provisions under Article 280 of the Constitution. While determining the share of States, the Commission had taken into account the expenditure liability including the impact of adopting the Fifth Pay Commission award and resources of the States. Report of the EFC has since been accepted by the Government of India and funds are devolving to the States from 2000-01, in accordance with the EFC's recommendations.

Corporate loans written off by Banks and FIs

2956. SHRI K. RAHMAN KHAN: Will the Minister of FINANCE be pleased to state:

(a) the quantum of corporate loans written off by public sector banks and other financial institutions *vis-a-vis* their non-performing assets;

(b) what is the current position of NPAs after writing off loans along with the details of the parties involved; and

(c) what effective steps have been taken to recover the loans from them?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) to (c) The information is being collected and will be laid on the Table of the House.