

Infrastructure and Affordable Housing'. Boards of the banks should lay down a policy in this regard prescribing suitable margins, purpose of the loan and other safeguards. Further, such loans should be subject to a ceiling, say, ₹10 lakh per borrower, and tenure of loan should be within the maturity period of the bonds. However, banks are not permitted to lend against such bonds issued by other banks.

(f) In view of the reply to (e) above, does not arise.

CST compensation to Chhattisgarh

†3407. DR. BHUSHAN LAL JANGDE: Will the Minister of FINANCE be pleased to state:

(a) whether it is fact that Central Sales Tax (CST) for Chhattisgarh has been reduced from 4 per cent to 3 per cent and later to 2 per cent, has causing loss to the State exchequers; and

(b) by when the compensation for the loss of CST which was payable to the State for the year 2009-10, 2011-12 and 2013-14 would be paid by the Central Government?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA): (a) and (b) Yes Sir. Central Sales Tax (CST) rate was reduced from 4% to 3% w.e.f. 1st April, 2007 and it was further reduced to 2% w.e.f. 1.06.2008. Central Government has paid CST compensation on account of loss due to reduction of CST rate for the period 01.04.2007 to 31.03.2010 as per 22nd August, 2008 guideline to all the States including Chhattisgarh. Chhattisgarh has been paid Central Sales Tax compensation for the period 2007-08 to 2010-11 as follows:

Year	Compensation Paid (₹ in cr)
2007-08	107.70
2008-09	565.07
2009-10	431.68
2010-11	634.02

Government has agreed to in principle for payment of 100% CST compensation for the year 2010-11, 75% CST compensation for the year 2011-12 and 50% CST compensation for the year 2012-13 as per the recommendation of the Empowered Committee of State Finance Ministers.

†Original notice of the question was received in Hindi.