

Financial Package to J&K

***39. MIRZA ABDUL RASHID:** Will the Minister of FINANCE be pleased to state:

(a) whether Government have any plans to grant a financial package to J&K on the pattern of North- East;

(b) if so, by when it is likely to be granted; and

(c) if not, what are the constraints coming in the way of Government in doing so?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) to (c) The State of J&K enjoys the status of a Special Category State, in line with States of the North East. Plan assistance to J&K is extended as 90% grant and 10% loan, as against the normal pattern of 70% loan and 30% grant for Non-Special Category States. The total amount of Plan and Non-Plan assistance to J&K has increased over the years as the table below shows:

(Rs. in crores)				
Year	Plan Assistance	Finance Commission Devolutions	Security Related Expenditure	Total Assistance
1996-97	1915.88	1287.48	234.99	3438.35
1997-98	2259.11	1294.48	154.96	3708.55
1998-99	2286.72	1241.45	273.00	3801.17
1999-2000	3195.37	1447.80	337.82	4980.99

In the current year also the resource transfer to the State Government of J&K is expected to go up mainly on account of enhanced allocation of Rs. 2111.66 crores as non Plan revenue deficit grant recommended by the Eleventh Finance Commission. Moreover, progress of various development projects/ Special schemes sanctioned for J&K is reviewed periodically in consultation with the State Government and necessary financial resources are made available through the respective Central Ministries