

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF EXPENDITURE

LOK SABHA
UNSTARRED QUESTION No. 2318

TO BE ANSWERED ON MONDAY, December 18, 2023/Agrahayana 27, 1945 (Saka)

SPECIAL ASSISTANCE TO STATES FOR CAPITAL EXPENDITURE/INVESTMENT

2318. SHRI RAJA AMARESHWARA NAIK
SHRI BHOLA SINGH
SHRI VINOD KUMAR SONKAR
DR. SUKANTA MAJUMDAR
SHRIMATI SANGEETA KUMARI SINGH DEO

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has started a new scheme called Special Assistance to States for Capital Expenditure/Investment;
- (b) if so, the details and the salient features thereof;
- (c) the details of interest free loan/assistance provided to the States so far under the scheme, State/year-wise, including Karnataka; and
- (d) the other steps taken/being taken by the Government for capital expenditure/Investment in the country?

ANSWER

THE MINISTER OF STATE FOR FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) and (b): The Scheme for Special Assistance to States for Capital Expenditure was launched in the financial year 2020-21. The Scheme had an allocation of Rs. 12,000 crore. Out of this, an amount of Rs. 2,500 crore was allocated to the North-Eastern States and Hill States under Part-I of the Scheme. Under Part-II of the Scheme, an amount of Rs. 7,500 crore was allocated to the States other than North-Eastern and Hill States in proportion to their share of Central Taxes as per the interim award of the 15th Finance Commission for the year 2020-21. Moreover, an amount of Rs. 2,000 crore was earmarked for Part-III of the Scheme for providing incentives to States for carrying out citizen centric reforms in three out of four areas viz. implementation of one nation one ration card system; implementation of district level and licensing reforms for ease of doing business; reforms for strengthening local bodies; and power sector reforms.

In the financial year 2021-22, the Scheme had an allocation of Rs. 15,000 crore. Under Part-I of the Scheme, an amount of Rs. 2,600 crore was allocated to the North-Eastern States

and Hill States. An amount of Rs. 7,400 crore was allocated to the States other than North-Eastern and Hill States under Part-II of the Scheme in proportion to their share of Central Taxes as per the award of the 15th Finance Commission. In addition, an amount of Rs. 5,000 crore was earmarked for providing incentive to States for privatisation/disinvestments of the State Public Sector Enterprises (SPSEs) and monetization/recycling of assets.

The Scheme was continued in 2022-23 with an enhanced allocation of Rs. 1.07 lakh crore. Under Part-I of the Scheme, an amount of Rs. 80,000 crore was allocated to the States in proportion to their share of Central Taxes as per the award of the 15th Finance Commission. In addition, incentive amounts of Rs. 27,000 crore were earmarked for seven reform centric areas, viz., PM Gati Shakti related expenditure; supplemental funding for priority segment of PMGSY including States' share of PMGSY; incentive for digitisation, capital projects on optical fiber cable; urban reforms; disinvestment of SPSE's & asset monetization; and scrapping of old vehicles.

The Scheme has been further expanded and continued as 'Scheme for Special Assistance to States for Capital Investment 2023-24' with allocation Rs. 1,30,000 crore. This includes an amount of Rs. 1 lakh crore under Part-I of the Scheme which has been allocated to States in proportion to their share of Central Taxes as per the award of the 15th Finance Commission and incentive amounts of Rs. 30,000 crore for reform centric and sector specific areas, viz, scrapping old vehicles, urban planning reforms, financing reforms in urban local bodies to make them creditworthy for municipal bonds, housing for police personnel above or as part of police stations, unity malls, children and adolescent' library and digital infrastructure.

(c): The details of Special Assistance (Loan) released to States including the State of Karnataka under the Scheme for Special Assistance to States for Capital Expenditure/Investment between financial years 2020-21 and 2023-24 is provided in Annexure.

(d): The Special Assistance to States for Capital Expenditure/Investment are aimed at boosting capital expenditure by the States. Further, the scheme guidelines on the Scheme for Special Assistance to States for Capital Investment 2023-24, inter-alia, stipulate target for capital expenditure for each State for the financial year 2023-24 for availing the 2nd installment under Part-I (Untied) of the Scheme for 2023-24.

**ANNEXURE REFERRED IN REPLY TO LOK SABHA UNSTARRED QUESTION
NO. 2318 DUE FOR ANSWER ON 18th DECEMBER, 2023**

**Special Assistance (loan) released under the Scheme for Special Assistance to States for
Capital Expenditure/Investment**

(Rs. in crore)

Sl. No.	State	2020-21	2021-22	2022-23	2023-24 (As on 13.12.2023)
1	Andhra Pradesh*	688.00	501.79	6105.56	0.00
2	Arunachal Pradesh	232.97	371.19	1564.10	992.49
3	Assam	450.00	600.00	4300.14	2841.21
4	Bihar	843.00	1246.50	8455.85	6135.54
5	Chhattisgarh	286.00	423.00	2941.97	2044.78
6	Goa	97.66	111.04	572.75	332.35
7	Gujarat	285.00	432.00	4045.82	2336.62
8	Haryana	91.00	135.00	1267.00	756.75
9	Himachal Pradesh	533.00	800.00	650.80	644.36
10	Jharkhand	277.00	246.00	2964.32	1693.19
11	Karnataka	305.00	451.50	3399.35	2538.04
12	Kerala*	81.50	238.50	1902.74	0.00
13	Madhya Pradesh	1320.00	1512.36	7360.20	5325.60
14	Maharashtra	514.00	771.73	6744.16	3457.61
15	Manipur*	317.16	212.85	467.22	0.00
16	Meghalaya	200.00	281.20	1049.02	555.43
17	Mizoram	200.00	299.99	297.50	487.55
18	Nagaland	200.00	300.00	504.16	462.30
19	Odisha	471.50	517.12	75.00	3039.77
20	Punjab*	296.50	223.50	798.22	0.00
21	Rajasthan	1002.00	692.41	5595.64	3987.91
22	Sikkim	200.00	300.00	551.36	271.66
23	Tamil Nadu	0.00	505.50	4011.27	2643.65
24	Telangana	358.00	214.14	2500.98	1241.84
25	Tripura	300.00	118.54	349.79	258.77
26	Uttar Pradesh	976.00	1483.00	7940.50	12458.43
27	Uttarakhand	675.00	263.92	1124.01	785.78
28	West Bengal	630.00	933.00	3655.92	5015.58
Total		11830.29	14185.78	81195.35	60307.19

*: The State has not met the eligibility criteria prescribed under the Scheme for 2023-24.
