

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF EXPENDITURE
LOK SABHA
UNSTARRED QUESTION NO. 3338.**

TO BE ANSWERED ON MONDAY, AUGUST 09, 2021/Sravana 18, 1943 (Saka)

Special Assistance Scheme

3338. SHRI SUNIL BABURAO MENDHE:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has issued guidelines to the States on the Scheme of Special Assistance to States for Capital Expenditure for promoting capital expenditure by the State Governments;
- (b) if so, the details thereof;
- (c) whether all the States especially Maharashtra have submitted proposals under the scheme for new and ongoing capital works/projects; and
- (d) if so, the details of the projects in Maharashtra?

ANSWER

**MINISTER OF STATE FOR FINANCE
(SHRI PANKAJ CHAUDHARY)**

(a) & (b): Yes Sir. The Government has issued guidelines on the scheme for Special Assistance to States for Capital Expenditure for 2021-22. Under the scheme the Union Government provides financial assistance to the State Governments in the form of 50-year interest free loan. The scheme for Special Assistance to States for Capital Expenditure for 2021-22 has three Parts:

Part-I covers 8 North-East States i.e. Assam, Arunachal Pradesh, Meghalaya, Manipur, Mizoram, Nagaland, Sikkim and Tripura, and the hill States of Uttarakhand and Himachal Pradesh. The sum allocated for this part of the scheme is Rs.2,600 crore. 7 North-East States except Assam have been allocated Rs.200 crore each while Assam, Himachal Pradesh and Uttarakhand have been allocated Rs.400 crore each.

Part-II covers all other States not included in Part-I. An amount of Rs 7,400 crore is allocated for this part of the scheme. This amount has been allocated amongst these States in proportion to their share of central taxes as per the award of the 15th Finance Commission for the year 2021-22. Maharashtra is covered in this part and has been allocated Rs.522 crore.

Part-III: This part of the scheme is for providing incentives to State Governments for privatization/disinvestment of the State Public Sector Enterprises (SPSEs) and monetization/recycling of assets. Under this part, States will be provided additional funds as 50 years interest free loan over and above their allocation under Part-I or Part-II of the scheme. An amount of Rs.5,000 crore is allocated for this part of the scheme.

(c) & (d): States have submitted proposals under the scheme. The State Government of Maharashtra has submitted a proposal including 8 ongoing works of Water Resources Departments with Capital Outlay of Rs.261 crore and 65 ongoing works of Public Works Departments relating to Major District Roads with Capital Outlay of Rs.261 crore. In addition, the State Government of Maharashtra has submitted a list of additional works amounting to Rs.80 crore over and above allocation of Rs.522 crore. These include 8 ongoing works of Water Resources Departments with Capital Outlay of Rs.40 crore and 15 ongoing works of Public Works Departments relating to Major District Roads with Capital Outlay of Rs.40 crore under the scheme.
