

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF EXPENDITURE

**LOK SABHA**  
**UNSTARRED QUESTION No. 3850**

TO BE ANSWERED ON MONDAY, MARCH 16, 2026/PHALGUNA 25, 1947 (SAKA)

**Special Assistance to States for Capital Investment**

**3850. Dr. Kakoli Ghosh Dastidar:**

Will the Minister of **FINANCE** be pleased to state:

- a) whether assistance under the Scheme for Special Assistance to States for Capital Investment will be explicitly linked to measurable debt-consolidation milestones with time-bound release schedules, if so, the details thereof and if not, the reasons therefor; and
- b) the timeline to operationalise corrective action plans for States with worsening ratios and to reward sustained deleveraging?

**ANSWER**

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

(a) & (b): Presently there is no proposal under consideration of the government to explicitly link the assistance under the scheme for Special Assistance to States for Capital Investment to measurable debt-consolidation milestones with time bound release schedule.

All States have enacted their Fiscal Responsibility and Budget Management (FRBM) Act, which makes the State Government responsible to ensure prudence in fiscal management and fiscal stability by progressive elimination of revenue deficit, reduction in fiscal deficit, prudent debt management consistent with fiscal sustainability, and greater transparency in fiscal operations of the state government. The same is monitored by the State Legislature.