

Scheme of Special Assistance to States for Capital Investment

- The scheme has eight parts, Part-I being the largest with allocation of Rs. 1 lakh crore. This amount has been allocated amongst states in proportion to their share of central taxes and duties as per the award of the 15th Finance Commission.
- Other parts of the scheme are either linked to reforms or are for sector-specific projects.
- Part-II provides incentives to states for scrapping of old vehicles and setting up of automated vehicle testing facilities;
- Part-III and IV provide incentives to states for reforms in urban planning and urban finance;
- Part-V provides funds for increasing the housing stock for police personnel and their families within the police stations in urban areas.
- Part-VI of the scheme supports the vision of national integration, Make in India and One District One Product by promoting cultural diversity and local products through Unity Mall projects.
- Under Part-VII, Rs. 5,000 crore is provided as financial assistance to states for establishing libraries with digital infrastructure at the Panchayat and Ward level, primarily benefiting children and adolescents.