

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF EXPENDITURE**

**RAJYA SABHA
UNSTARRED QUESTION No. 1483**

TO BE ANSWERED ON TUESDAY, March 15, 2022/Phalgun 24, 1943 (Saka)

Incentives for disinvestment of States' PSUs

1483. Shri K.R.N. Rajeshkumar

Will the Minister of FINANCE be pleased to state:

- (a) whether Government is taking steps to similarly incentivise States to take up disinvestment of their Public Sector Undertakings (PSUs) and work out an incentive package of Central funds for States using a Special Purpose Vehicle (SPV);
- (b) if so, the response received from each State and the present status thereof;
- (c) whether Government is taking steps to ensure timely completion of closure of sick or loss making CPSEs and introducing a revised mechanism that will ensure timely closure of such units; and
- (d) if so, the details of thereof and the target set/achieved so far?

ANSWER

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

(a) and (b): Yes sir, the Government of India have approved the 'Scheme for Special Assistance to States for Capital Expenditure for 2021-22', which has three Parts, viz. Part-I, Part-II and Part-III. Under the Scheme, financial assistance is provided to the State Governments in the form of 50-year interest free loan. Under Part-III of the Scheme, incentives to States are provided for disinvestment of State Public Sector Enterprises (SPSEs) as well as for monetization/recycling of assets of States and of SPSEs. For the financial year 2021-22, the State Government of Madhya Pradesh has submitted proposal under Part-III of the Scheme and an amount of Rs. 518.17 crore was approved as incentive to the State government for capital expenditure on creation of new assets, of which an amount of Rs. 259.085 crore has been released to the State Government of Madhya Pradesh as the 1st instalment.

(c) and (d): Yes sir, Department of Public Enterprises has issued revised guidelines on 13.12.2021 for implementation of New Public Sector Enterprises (PSE) policy for Central Public Sector Enterprises (CPSEs) in non-strategic sector envisaging, inter alia, a mechanism for timely closure of CPSEs.
