

LOK SABHA

**UNSTARRED QUESTION No. 2999
TO BE ANSWERED ON FRIDAY, JANUARY 5, 2018/PAUSHA 15, 1939 (SAKA)**

FINANCE TO LARGE INFRASTRUCTURE PROJECT

2999. ADV. NARENDRA KESHAV SAWAIKAR:

Will the Minister of FINANCE be pleased to state:

- (a) whether a proposal to raise funds from capital market to finance large infrastructure project is under consideration of the Government and if so, the details thereof;
- (b) whether the Government have finalised the action plan and identified the projects to be funded; and
- (c) if so, the details thereof?

ANSWER

**MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI P. RADHAKRISHNAN)**

(a) to (c): Yes Madam. Government has taken several steps to mobilize funds from various sources, including from capital market, for development of infrastructure. Steps include launching of innovative financial vehicles such as Infrastructure Debt Funds, Infrastructure Investment Trusts/Real Estate Investment Trusts, laying down a framework for municipal bonds and its issuance, relaxation in External Commercial Borrowing (ECB) norms, mainstreaming of Public Private Partnerships (PPPs), relaxation of norms for Employees' Provident Funds Organization (EPFO)/pension funds for infrastructure sector, bringing in 5/25 scheme to extend long tenor loans to infrastructure projects, take-out finance and flexible structuring etc. FDI upto 100% under the automatic route has been permitted in Construction Development of Townships, Housing, Built-up Infrastructure which inter-alia include development of townships, construction of residential/commercial premises, roads or bridges, hotels, resorts, hospitals, educational institutions, recreational facilities, city and regional level infrastructure, townships, subject to certain conditions as provided in Consolidated FDI Policy Circular of 2017. The National Investment and Infrastructure Fund (NIIF) has been established with an aim to attract investments from both domestic and international sources for infrastructure development in commercially viable projects, both greenfield and brownfield, including stalled projects.
