

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS

LOK SABHA

UNSTARRED QUESTION NO. 87

ANSWERED ON MONDAY, NOVEMBER 29, 2021/ AGRAHAYANA 8, 1943 (SAKA)

MEETINGS OF FSDC

87. SHRI KOTHA PRABHAKAR REDDY:
SHRIMATI VANGA GEETHA VISWANATH:

Will the Minister of FINANCE be pleased to state:

(a) whether any meetings have been held by the Financial Stability and Development Council (FSDC) to nudge financial regulators to relax and harmonise investment norms for instruments such as Infrastructure Investment Trusts to be used to monetise public assets such as highways, gas pipelines and railway tracks; and

(b) if so, the details and outcome thereof during the last five years?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI PANKAJ CHAUDHARY)

(a): No, Sir.

(b): The investment guidelines of EPFO and exempted trusts have been amended by Ministry of Labour to permit investment in alternative investment funds (AIFs), subject to certain conditions.

Also, IRDAI has permitted investment by Insurance companies into Fund of Funds.

PFRDA has informed that the investment guidelines applicable to NPS already permit investments in listed debt securities issued by body corporates engaged mainly in the business of development or operation and maintenance of infrastructure, or development, construction or finance of affordable housing, securities issued by Infrastructure debt funds, investment in units of Debt ETFs issued by Government of India specifically meant to invest in bonds issued by Government owned entities. Further, in order to boost the infrastructure investment by Pension Funds, PFRDA has recently allowed Pension Funds to invest into the debt securities issued by REITs and InvITs and Expected Loss Rating has been introduced by PFRDA for facilitating investments in infrastructure projects which may have a long gestation period.
