

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:1518  
ANSWERED ON:27.11.2009  
INVESTMENT-INFRASTRUCTURE  
Haque Shri Sk. Saidul

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

- (a) The public as well as private investment in infrastructure as a proportion of Gross Domestic Product (GDP) in the year 2006-07, 2007-08 and 2009-10 till date;
- (b) Whether such public investment infrastructure compare favorably with other countries;
- (c) If so, the details thereof for the same period and if not the reasons therefore; and
- (d) The steps taken by the Government to increase public investment in infrastructure?

**Answer**

To be answered by Minister of State in the Ministry of Finance (Shri S.S PALANIMANICKAM)

(a) For sustaining a growth rate of 9% in GDP in the Eleventh Five Year Plan, investment in physical infrastructure has been projected at Rs. 2,056,150 crore (at constant 2006-07 prices) over the five year period from 2007-08 to 2011-12. Appraisal of the Eleventh Five Year Plan is underway and based on provisional data supplied by the subject Divisions and/or Ministries, the total investment in infrastructure as a percentage of GDP was 7.15% in the terminal year of the Tenth Plan 2006-07 and 7.45% and 8.40% in the first two years of the Eleventh Plan viz.2007- 08 and 2008-09 respectively;

(b)& (c): The public investment in infrastructure would depend on several factors including the stage of development and infrastructure requirements of the country, model of procurement of the infrastructure and investment capacity of the public and private sectors. Further, comparative data on public investment in other countries is not maintained to enable the comparison;

(d) The Government has taken a number of initiatives to promote the development of infrastructure in general and private participation in particular. Some of these initiatives are as below:

i. The Cabinet Committee on Infrastructure has been constituted on July 6, 2009. The objective of the Committee is to consider and take decisions in respect of all infrastructure related proposals costing more than Rs. 150 crore; to consider and decide measures . namely, fiscal, financial, institutional and legal required to enhance investment in the infrastructure sector, to lay down annual parameters and targets for performance for all infrastructure sectors; and to review the progress of all infrastructure projects;

ii. The Public Private Partnership (PPP) Appraisal Committee has been constituted for streamlining and simplifying the appraisal and approval process for PPP projects;

iii. The Scheme for support to Public Private Partnerships in Infrastructure has been notified to enhance the financial viability of infrastructure projects;

iv. The India Infrastructure Finance Company Ltd. has been set up for providing long term loans for financing infrastructure projects.