

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:2199  
ANSWERED ON:06.08.2010  
CREATION OF SOVEREIGN WEALTH FUND  
Abdulrahman Shri ;Biju Shri P. K.;Jeyadural Shri S. R.

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

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(a) whether the Central Government propose to start a Sovereign Wealth Fund; and

(b) if so, the details thereof and if not, the reasons therefor?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a) & (b) In the past, the Government had examined a proposal to create a Sovereign Fund of US \$ 5 billion for financing acquisitions of companies abroad. However, it was decided not to pursue this proposal. It was felt at that time that a number of avenues for funding of acquisition abroad were available and that money was not a primary constraint for Indian Companies to acquire assets/companies abroad.

However, the consideration for creation of a Sovereign Wealth Fund depends on a set of circumstances including the evolving nature of the financial systems in India and in the world, and is a dynamic and continuous process.