

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4563
ANSWERED ON:20.08.2010
FUND IN INFRASTRUCTURE SECTOR
Sinha Shri Yashwant

Will the Minister of FINANCE be pleased to state:

- (a) the gap between the requirements and availability of funds for infrastructure sector during the remaining period of Eleventh Plan period;
- (b) whether the Government are aware that infrastructure sector is facing inadequate funding that threatens to disrupt India's economic progress;
- (c) if so, the reasons therefor;
- (d) whether the Government has proposed dedicated debt funds to channelize foreign savings into the infrastructure sector and if so, the complete details thereof; and
- (e) the time by which such funds are likely to be set up?

Answer

To be answered by Minister of State in the Ministry of Finance (SHRI NAMO NARAIN MEENA)

(a) to (c): As per projections by the Planning Commission in a report titled 'Projection in Eleventh Five Year Plan - Investment in Infrastructure', the total requirement of debt by the public and private sectors, for financing infrastructure in the Eleventh Five Year Plan is likely to be ₹ 9,88,035 crore or US \$ 247.01 billion, against which the debt financing available has been estimated at ₹ 8,25,539 crore or US \$ 206.38 billion. There is, thus, a funding gap of ₹ 1,62,496 crores or US \$ 40.62 billion in the debt component.

(d): No Sir. The Government has not proposed dedicated debt funds to channelize foreign savings into the infrastructure sector. However, a concept paper on setting of an India Infrastructure Debt Fund has been submitted by a Committee constituted by the Planning Commission under the chair of Shri Deepak Parikh, Chairman, Housing Development Finance Corporation.

(e): Does not arise in view of (d) above.